

County Hall
The Rhadyr
Usk
NP15 1GA

5th January 2015

Notice of Meeting:

Adults Select Committee

Tuesday 13th January 2015 at 10.00am
Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA

**PLEASE NOTE THAT THERE WILL BE A PRE-MEETING FOR
ADULTS SELECT COMMITTEE MEMBERS AT 9.30AM**

AGENDA

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

Item No	Item
1.	Apologies for absence.
2.	Declarations of Interest.
3.	To confirm and sign the minutes of the Adults Select Committee held on: i. 18 th November 2014 (copy attached) ii. 17 th December 2014 (copy attached)
4.	Public Open Forum.
5.	To scrutinise the Strategic Risk Assessment (copy attached).
6.	To scrutinise Revenue and Capital Budget Monitoring 2014/15 Month 6 Outturn Forecast Statement (copy attached).

7.	Work Programming (copy attached).
8.	Summing up and date and time of the next meeting: <ul style="list-style-type: none">• Tuesday 17th February 2015 at 10.00 a.m. – Special Meeting• Tuesday 24th February 2015 at 10.00 a.m.

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.

**Minutes of the Adults Select Committee held at County Hall, Usk on
Tuesday 18th November 2014 at 10.00 a.m.**

PRESENT: County Councillor P.S. Farley (Chairman)

County Councillors: R.G. Harris, P. Jones, P.A. Watts, R. Chapman, R. Edwards, M. Hickman and A. Wintle.

County Councillor G. Burrows also in attendance by invitation by the Chairman.

COOPTED MEMBERS:

Mr. D. Hill
Mrs. D. Hudson.

OFFICERS IN ATTENDANCE:

Mrs. J. Boothroyd	-	Head of Adult Services
Mrs. E. Parkinson	-	Integrated Services Manager
Mrs. A. MacBean	-	Integrated Services Manager
Mr. M. Gatehouse	-	Policy and Performance Manager
Mr. S. Burch	-	Chief Officer for Social Care and Health
Mrs. T. Jelfs	-	Head of Children's Services
Ms. H. Ilett	-	Scrutiny Manager
Mrs. N. Perry	-	Democratic Services Officer

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from County Councillors D. Blakeborough and D. Jones of Children and Young People's Select Committee.

DECLARATIONS OF INTEREST

2. There were no interests declared by Members at the meeting.

MINUTES

3. The minutes of the Adults Select Committee meeting held on Tuesday 9th September 2014 were confirmed as a correct record and signed by the Chairman.

PUBLIC OPEN FORUM

4. No members of the public present.

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GWENT FRAILITY PROGRAMME

5. We welcomed a presentation from the Head of Adult Services and Integrated Team Leader to reflect the recent review of Frailty by Cordis Bright. The presentation outlined the progress Monmouthshire County Council had made with integration

Members were asked to consider how best to implement the recommendations made in the report, in light of the different service model developed by Monmouthshire. The model in Monmouthshire had progressed to what Cordis Bright recommended for all areas.

Following the presentation we noted the following points.

- The FISH bowls were situated in each hub and were manned by staff on a rota basis.
- The integrated approach was the best way forward. Other authorities were beginning to look at developing an integrated provision. At some stage the five authorities may become an integrated board.
- Demand was being managed so there was cost avoidance rather than cost saving. New incoming data showed the success of the programme.
- Challenges arose due to the county being rural, but with the integrated way of working there was a reduction in repetition which created extra capacity.
- It was confirmed that as the Raglan Project would be rolled out through Usk and Monmouth, more staff be on full time contracted hours.

The Chairman thanked and commended the officers for the presentation, recorded continuing recognition and would welcome continued updates. A recommendation was made to continue but to develop a better health and social care interface. Dialogue, meeting, talking and visiting was a recommended way to disseminate information rather than simply produce papers.

QUARTER 2 PERFORMANCE IMPROVEMENT OBJECTIVE AND OUTCOME AGREEMENTS

6. We received a report the Policy and Performance Manager presenting the quarter 2 performance data for the Improvement Objective and Outcome Agreement objectives which were under the remit of Adults Select Committee.

Members were recommended to scrutinise the performance achieved and impact made to assess progress and performance against the objectives. We were asked to identify and explore any areas of underperformance or concern, and to agree the targets for the Performance Indicators that fall in the remit of Adults Select Committee.

Members were made aware that the outcome agreements with Welsh Government worked across five themes. If successful in meeting the targets set across the five themes, the Authority would receive funding in the region of £840,000 per year which would be built into the base budget.

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Both the Improvement Object and Outcome Agreement were on track. Pilot schemes for Community Coordination were up and running in Caldicot and Abergavenny, and networks were being established in local areas.

In terms of progress it was too early to report a huge impact, but the impact on Community Coordination against the key performance indicators was positive.

During discussion, following the presentation of the report, we noted the following:

- The Community Coordinators were appointed on two year contracts, the time limited basis allowed Officers and Members to fully evaluate the impact.
- A Member raised a query why there was no mention of safeguarding adults in the report. The Policy and Performance Manager confirmed that in terms of the Improvement Objective, it covered the whole range. A report card was available for information regarding the safeguarding of vulnerable adults.
- The Chairman agreed that safeguarding was not solely about Children and Young People and would appreciate more explicit information about safeguarding adults, including vulnerable adults.
- A Member queried how we could ensure people were receiving the correct care when in private care. The Head of Adult Services informed the Committee that one direction we were taking was to enable, empower and provide information on what was possible. We were also told that Adult Services were trying to raise awareness to ensure safeguarding.
- The Chairman expressed that he was pleased to hear of the success of the Community Coordination pilot scheme, but was disappointed that they were not evenly distributed across the County.
- It was noted that on page 8 of the report that the actual figure for 2014-2015 should state 2014 to date.
- The Committee were informed that paragraphs were in the report in error but were relevant to the meeting. Members would be receiving information regarding maintaining improvements with reduced budgets. A discussion would be required in terms of targets changing throughout the year. The Adults Select Committee would not see as many changes as in Children and Young People Select.
- The Committee were asked to note that a performance indicator was amended on page 8 of the report, the number of adults in residential care, from 230 to 227 for 2014/2015.
- The Chairman requested evidence on how other authorities were performing and if they were showing progress we could learn from.

The Committee noted the report.

CSSIW ANNUAL REVIEW AND EVALUATION OF PERFORMANCE 2013/2014

7. The Chairman welcomed Margaret Rooney and Ann Ferris from CSSIW who were presenting a report on the Annual Review and Evaluation of Performance 2013/2014,

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for which Members of the Children and Young People Select Committee were invited for scrutiny purposes.

The report provided information on the areas of progress and areas for improvement in Social Services for Monmouthshire, for the year 2013-2014. The report had been formed through evidence supplied to CSSIW, as well as evidence gathered through inspections, reviews and investigations.

Following the report, the Committee noted the following points:

- A Member queried how the children's mental health service could be improved, as there could be many hidden cases in this area. In response we heard it was important for Health to ensure the appropriate services were in place. The Chief Officer for Social Care and Health informed the Committee that he was delighted to see the issue raised in the report, which was not seen as a criticism of the Authority but a criticism across Wales. In Monmouthshire we experienced a difficulty in getting the correct support in place for children.
- It was questioned that the feedback was received late, so was therefore not as useful to current inspections. The report didn't indicate the improvements made in staff restructuring.
- It was agreed that the representatives from CSSIW would come to scrutiny meetings more regularly to present findings on an ongoing basis.
- The Chief Officer for Social Care and Health stated that the statutory visits figures were unacceptable but had improved dramatically. Up to date information could be accessed via The Hub.
- The Chairman suggested that there could be a better way of receiving the reports, as it was felt to be repetitive. If there was better access to real time information we should look at that further.
- A Member on the Fostering Panel commended the transformation in the Children's Services, due in part to a new Head of Children's Services. It was felt that good news should be publicised.

The Committee resolved to accept the report, but noted that we would look into improved ways in handling important external reports and dealing with real time information..

OBA SCORECARD FOR SAFEGUARDING AND PROTECTION OF VULNERABLE ADULTS

8. We received a report, for information, on the OBA Scorecard for Safeguarding and Protection of Vulnerable Adults. The purpose of the report was to provide Members with a report card that looked at changes made to the way in which vulnerable adults were safeguarded.

Members were recommended to use the report to scrutinise whether services were being delivered in line with expectations and were contributing to the agreed outcomes.

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Members were invited to ask questions. The following points were noted:

- It was felt that being a centralised model and the consistency in approach was helpful.
- On reported performance last year, 81.2% was below the Wales average. This may have been due to recording and we could expect to see an improvement on this in the next report.
- In regards to Provider Performance Issues there were a number of escalating concerns, and which would be continued to be reported as the scorecard developed.
- The Chairman was pleased to note that Officers were aware of issues and would address them in future meetings if necessary.

The Chairman thanked Officers for the report and resolved to note the content.

ADULTS SELECT COMMITTEE WORK PROGRAMME

9. We received the Adults Select Committee Work Programme for forthcoming meetings.

DATE AND TIME OF NEXT MEETING

10. We noted the following dates for the Adults Select Committee Meeting would be:
- Budget Scrutinising - Wednesday 17th December 2014
 - Risk Management – Tuesday 13th January 2015
 - ABHB – Tuesday 17th February 2015

The meeting ended at 12.50pm

**Minutes of the Special Adults Select Committee held at County Hall, Usk on
Wednesday 17th December 2014 at 10.00 a.m.**

PRESENT: County Councillor P.S. Farley (Chairman)

County Councillors: R. Chapman, R. Harris, P. Jones, and A. Wintle.

Also in attendance: County Councillors G Burrows, Cabinet Member for Social Care & P. Murphy, Cabinet Member for Finance.

COOPTED MEMBERS:

None Present

OFFICERS IN ATTENDANCE:

Mrs. J. Boothroyd	-	Head of Adult Services
Mr. S. Burch	-	Chief Officer for Social Care and Health
Mrs. J Robson	-	Head of Finance / Section 151 Officer
Mrs. T Norris	-	Policy and Performance Officer
Mr. J. Pearson	-	Local Democracy Manager

APOLOGIES FOR ABSENCE

1. Apologies for absence were received from County Councillors R. Edwards, M. Hickman and Mr D. Hill (co-opted representative)

DECLARATIONS OF INTEREST

2. County Councillor A. Wintle declared a personal and non-prejudicial interest, pursuant to the members' code of conduct as a Director of Monmouthshire Housing Association.

TO SCRUTINISE THE DRAFT CAPITAL BUDGET PROPOSALS 2015/16 TO 2018/19

3. We received a report, for scrutiny and comment, from the Head of Finance which outlined the proposed capital budget for 2015/16 and the indicative capital budgets for the three years 2016/17 to 2018/19.

Members were advised to scrutinise the draft capital budget proposals, the issues were highlighted in the attached appendices of the report.

During discussion members were invited to ask questions and the following points were noted:

- A member raised a query as to the effect of still awaiting income from the sale of the cattle market in Abergavenny and the effect that had on the capital available to deliver the 21st Century Schools Programme. We were informed by the Head of Finance / Section 151 Officer that while we wer still awaiting

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income from the sale of the cattle market, forecasts were based on estimate receipt of income and short term borrowing could be utilised to fill any shortfall.

- A member queried the expense of two sewage treatment plants as detailed in the appendix 1a and whether options such as considering a hand over to Welsh Water had been considered to ease the budget pressure. The Head of Finance / Section 151 Officer informed us that all options were being considered by the responsible officers but further details would need to be obtained from them directly.
- The Chairman raised concern that there appeared to be no cost included for the replacement of the old iron bridge in Chepstow included in the forecasts. A discussion took place around who was responsible for the bridge and whether it was a trunk road and therefore the responsibility of the Welsh Government or Highways agency, or the responsibility of the Council. The Chairman requested clarification as to who was responsible for the maintenance of the bridge.
- The Chairman also queried the extent of how tied into the 21st Century Schools Project the Council was and whether there was any leeway to reconsider or reapportion the costs. Concerns were raised that the current forecasts may end up with an imbalance between the standards of the proposed schools. We were informed by the Cabinet Member for Finance that the project was taken in partnership with the Welsh Government who were providing 50% of the costs associated with the scheme which commenced before the financial pressures for future years had been identified.

Members thanked officers for their report.

TO SCRUTINE THE BUDGET PROPOSALS 2015/16 TO 2018/19

4. We welcomed a report from the Head of Finance / Section 151 Officer to provide detailed proposals on the budget savings required to meet the gap between available resources and need to spend in 2015/16.

It was recommended that members scrutinise the budget savings proposals. The Committee were asked to note Cabinet's intentions to continue to work on the areas required to balance the Medium Term Financial Plan.

Members were made aware that the reduction in funding for next year was 4.3%.

The budget process had been brought forward in order to give officers more time, when the budget had been agreed, to ensure savings would be implemented for a full year.

The officer informed members that public consultation on the proposals contained in the report had taken place with further consultation planned for the new year.

During discussion following the report, we noted the following points:

- A member asked whether any useable suggestions had been identified at consultation meetings that the Council could use in making further savings. The Cabinet Member for Finance informed members that whilst they were still

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evaluating the comments received, the general feedback was that the content of the proposals was in line with the feedback that is being received. He also informed members that the Made Open consultation website had proved very popular with useful feedback coming through that channel, as well as the public meetings.

SERVICE AREA BUDGET MANDATES

5. We received a report detailing the service area budget mandates for scrutiny from the Housing and Regeneration Manager and the Head of Adult Services.

(i) Mandate 2 – Collaboration of Housing & Community Services.

The Committee considered the report received from the Housing and Regeneration Manager in relation to the budget mandates. The Chairman expressed his regret that the officer was not in attendance at the meeting to answer members questions but requested that they be taken away for response from the officer at a later date.

The following questions were raised by members:

- A member raised a question in relation to page 3 of 13 of the mandate around the Housing Solutions Service. The member requested further information on the 21 units in the Shared Housing & Lodging Scheme, including the location of the units and how they are shared between Monmouthshire and Torfaen. Another member queried whether these units had been purchased and if so why, as we should be using housing association buildings.
- A member also queried the appointment to support the management of the scheme and requested more information including whether the appointment was a shared appointment between Monmouthshire and Torfaen and who was responsible for funding the appointment.
- Members also raised concerns in relation to the Careline element of the mandate. Concerns were regarding the reduction in staffing whilst still delivering the service going forward. Members queried the positioning of the Careline service within the authority stating their belief that it would be better situated under social services rather than housing but agreed the discussion was for a future meeting.

(ii) Mandates 33 & 34 – Revised Adult Social Care Service Transformation.

The Head of Adult Services presented a report on revised adult social care service transformation and detailed the content in relation to the budget mandates.

The officer advised members that the report extends the work that had already been undertaken in the last three years in service transformation with much of the savings identified established through delivering services in a different way rather than cutting services to those who need it.

Members discussed the report and the following points were noted:

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- A member congratulated the officer on the work they do and identifying the savings, but wanted clarification on the large reduction of savings in the adult teams identified on page 11 of 16 of the mandate. The member queried what cuts to the service would be made to achieve those savings and whether redundancies were needed to reach the targets. The officer informed members that savings would be made around service redesign and evenly spreading costs between services and that the proposals did not include any redundancies.
- The Chief Officer for Social Care and Health supported the comments made by the Head of Adult Services and informed members about a recent visit to the Council from Mark Drakeford, Assembly Minister for Health and Social Services, who praised the work that the social services team were undertaking. The Cabinet Member for Social Care and Health also endorsed the work of the social services team.
- The Chairman sought clarification as to the communication strategy that would be used to ensure residents were informed about the services available to them and ensure that residents were aware that services were not being cut. Officers and the Cabinet Member stated that it was difficult to engage with residents who were not in receipt of the service but there was much activity already taking place with My Day My Life events and open days at Mardy Park that were promoting the services available.

The Chair thanked the Head of Adult Services for the detailed report and work undertaken by the service.

TO SCRUTINISE THE WHOLE AUTHORITY RISK LOG

6. We received the Strategic Risk Assessment to provide Members with an overview of the current and future strategic risks facing the authority.

Members were required to identify whether the risks identified within the report were the most significant issues the Authority faced over the following three years and have regard to the risk log when making decisions at future meetings.

The risk assessment ensured that:

- Strategic risks were identified and monitored by the Authority
- Risk controls were appropriate and proportionate
- Senior managers and Elected Members systematically reviewed the strategic risks faced by the Authority.

Members discussed the report and raised the following points:

- Members noted that the log contained risks associated with vulnerable children but not vulnerable adults and wished to see that included in the log. The Policy and Performance Officer stated that the omission had been highlighted at other select committees and would be included in future versions.
- A member stated that there were a lot of high level risks in the log which made it difficult to identify the significance of a risk. The Policy and Performance

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Officer stated that they would be looking to revise some of the scorings in future documents to take account of the varying nature of the risks.

The Chairman summarised that the risk log was a good tool for the committee to consider when identifying future items for scrutiny and aided them in being pro-active in identifying issues.

The meeting ended at 11:35am

SUBJECT:	Strategic Risk Assessment
MEETING:	Adults Select Committee
DATE:	13th January 2015
DIVISION/WARDS AFFECTED:	All

1. PURPOSE:

- 1.1 To provide members with an overview of the current strategic risks facing the authority.

2. RECOMMENDATIONS:

- 2.1 That members use the risk log to hold the responsible officers and portfolio holder to account to ensure that risk is being appropriately managed
- 2.2 Use the risk register to inform the future work programme of the committee.

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 systematically review the strategic 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 need to be managed and monitored through teams' service plans.
- 3.3 Select Committee have already considered the content of the risk assessment at meetings in November and December 2014 alongside the emerging budget mandates. The risk assessment, including the wording of the risk matrix in appendix 2, has been updated to reflect feedback received at these meetings.
- 3.4 Risks will be signed off at Cabinet in March 2015. Prior to this, they will also be examined by Council on 22 January to inform the budget discussions that will take place at that meeting.

3.5 The risk log is a living document and will evolve over the course of the year as new information comes to light. This is reflected in the circular diagram given in appendix 2 which shows some of the information that informs the authority's knowledge of risks at different points of the year.

3.6 An up-to-date risk log will be accessible to members on The Hub. This will ensure that select committees are able to re-visit the information at any point in the year to re-prioritise their work plan as appropriate.

4. REASONS:

4.1 To provide timely and contributory information to the authority's performance management framework in ensuring that the authority is well-run and able to maximise contribution to achieving sustainable and resilient communities.

5. CONSULTEES:

SLT
CYP Select
Adults Select
Strong Communities Select
Economy and Development Select

6. AUTHORS:

Policy and Performance Team

9. CONTACT DETAILS:

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Whole Authority Strategic Risk Assessment 2014/15

Appendix 1

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
			Year	Likelihood	Impact	Risk Level				
1	The authority becomes financially unsustainable as a result of reducing budgets and demographic pressures.	<ul style="list-style-type: none"> - Year on-year budget reductions up 4.3% could potentially make the authority unviable with less staff - An ageing population and complexity of demand in children's services will place increased pressure on services - Decision not to pursue early voluntary merger following Williams Commission recommendation could impact on some funding opportunities - As we move to new models of provision we may have to run two approaches side-by-side in some areas during transition period. 	2014/15	Unlikely	Major	Low	<ul style="list-style-type: none"> - Assess carefully the impact of the further savings that need to be made post 15/16 - Consider how best to use capacity fund and any external funding sources to supplement the change programme required - Ensure that the detailed business cases that will deliver the MTFP are fully costed, stress-tested and managed - Undertake quarterly budget monitoring of savings proposals 	Joy Robson	Phil Murphy	All incl. Audit
2015/16	Unlikely	Major	Low							
2016/17	Possible	Major	High							
2	Uncertainty whether income targets within the 2014-17 Medium Term Financial Plan can be achieved and this could lead to unplanned changes in other	<ul style="list-style-type: none"> - Ambitious plans and new, more commercial, ways of working carry an inherent risk - Other programmes can impact on planned savings targets for example the loss of income from the swimming pool in Monmouth as a result of school rebuild 	2014/15	Possible	Moderate	Low	<ul style="list-style-type: none"> - Monitor the delivery of budget proposals agreed as part of the 2014/15 budget - Agree proposals to balance the MTFP 2015/16 to 2018/19 taking into account the need to match the expected performance targets with adequate resources. 	Joy Robson	Phil Murphy	All
2015/16	Likely	Substantial	Medium							
2016/17	Likely	Substantial	Medium							

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
			Year	Likelihood	Impact	Risk Level				
	services to balance the budget									
3a	Potential that the authority is unable to deliver its new schools capital programme due to capital receipts not generating the required income	- Capital receipts from disposal of assets are not generating the required income - Reduction in capital budget - Ambitious 21 st Century Schools programme and need to provide Welsh medium education - The core programme has been constrained in order to enable the new schools programme to be funded	2014/15 2015/16 2016/17	Possible Possible Possible	Major Major Major	Medium Medium Medium	-Implement the Asset Management Plan as the structure to effectively manage property assets that the Council owns or occupies aligned to key corporate priorities and service needs -Ensure resource is available to maintain sale of assets -Development of the strategic use of Community Infrastructure Levy when available - Further refinement of priority assessments in the property and infrastructure budgets to ensure all pressures have been considered and ranked	Deb Hill-Howell	Phil Murphy Bob Greenland	Economy and Development Strong Communities
3b	Pressure on capital budget from 21 st Century schools programme will impact on other areas requiring capital investment.	- A number of significant pressures are documented that are not currently funded - In the event of emergency pressures resources will have to be diverted due to lack of capacity in the capital budget								
4	Potential that negative findings from pending CSSIW and Estyn inspections will divert energy from an ambitious transformation	- Cases considered by CSSIW in Spring 2014 identified some concerns about outcomes - Unable to evidence good performance against some key performance indicators in children's social services - Education services currently	2014/15 2015/16 2016/17	Almost Certain Possible Unlikely	Major Major Major	High Med Low	- Evaluate and reflect on our practice to ensure that any problems are identified and acted upon - Manage our actions in response to Estyn and CSSIW via the directorates' service plans and the consolidated action plan led by Children's Services	Simon Burch & Sarah Mc-Guinness Tracey Jelfs	Geoff Burrows Liz Hackett-Pain	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
			Year	Likelihood	Impact	Risk Level				
	programme.	remain in special measures, although feedback from the Monmouthshire Recovery board is positive								
5	The authority does not achieve a positive outcome from the corporate assessment	- Self assessment highlighted a number of issues that need to be addressed including: i) Ensuring alignment and planning of resources to deliver priorities and programmes. ii) Ensuring staff are appropriately supported - WAO Annual Improvement report highlighted "It is uncertain whether the Council is likely to make arrangements to secure continuous improvement for 2014-15"	2014/15 2015/16 2016/17	Unlikely Possible Possible	Major Major Major	Low Med Med	- Deliver the action plan emerging from the Self-Evaluation. - Continue to roll-out a new employee performance framework and ensure we have the right people in the right jobs - Continue to improve the way we manage the performance of our services and tie this into continued effective financial management of the organisation.	Tracey Harry Will McLean	Peter Fox	Audit
6	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	Possible Possible Possible	Major Major Major	Medium Medium Medium	- Continually monitor and evaluate process and practice - Deliver actions set in service plans for POVA and Safeguarding - Ensure that robust systems are in place within the authority to respond to any concerns arising from allegations or organised abuse	Tracy Jelfs/ Julie Boothroyd	Liz Hackett Pain Geoff Burrows	CYP Adults
7	Possibility that needs and capabilities of	- Gap in attainment between 'all pupil' and Free School Meals cohort	2014/15	Likely	Major	Medium	- Ensure delivery of the actions identified in the Chief Officers annual report	Sarah Mc-Guinness	Liz Hackett Pain	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
			Year	Likelihood	Impact	Risk Level				
	learners are not sufficiently addressed and consequently, they do not achieve to their highest potential	<ul style="list-style-type: none"> - Variation in standards across schools - To date we have not in all cases appropriately supported pupils with additional learning needs - poor assessments in some schools due to leadership, management, capacity and performance issues - unsustainable provision to meet the demand for Welsh Medium education provision 	2015/16	Likely	Major	Medium	<ul style="list-style-type: none"> - Continue to self-assess and deliver effective responses to the Estyn inspection recommendations - Ensure that the Additional Learning Needs review delivers a sustainable, adequate and appropriate support to pupils with Additional Learning Needs - Ensure the commissioned arrangements with the EAS address the authority's concerns in challenging and supporting schools - Deliver the Welsh Education Strategic Plan in collaboration with neighbouring authorities 			
			2016/17	Possible	Major	Medium				
8a	Potential that council services, including schools do not have the necessary ICT infrastructure to maximise their offer to service users	<ul style="list-style-type: none"> - The ongoing SRS review has identified scope for improvement and greater realisation of opportunities for its partner bodies. - Schools and the EAS depend on reliable equipment and support from the SRS to implement systems for pupil tracking and to meet curriculum needs 	2014/15	Likely	Substantial	Medium	<ul style="list-style-type: none"> -Work with the SRS Board to implement the findings of the review specifically around: finance and the core service, governance and cultural and identity -Produce a 'commissioning document' that informs the nature, cost and schedule of services MCC wishes to procure from SRS. Keep the relationship business focussed and reinforce the client-contractor split. - Revise the ICT programme board as the digital programme board to 	Peter Davies	Phil Murphy	Economy and Development
	Insufficient ICT infrastructure and skills in the county have the potential to lead to social	<ul style="list-style-type: none"> - Broadband notspots remain in the county and despite Monmouthshire being in the next tranche for roll-out of Superfast Cymru; around 4-6% of 	2015/16	Likely	Substantial	Medium				
8b			2016/17	Possible	Substantial	Medium				

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
			Year	Likelihood	Impact	Risk Level				
	and economic disadvantages	our most rural areas, which are already more isolated, will not be impacted. - Welfare reform increases requirements for internet access and suitable digital skills for some of the most vulnerable in our society					improve and strengthen governance arrangements -Deliver the I County digital road map which has three main areas of focus: 1) internal systems, processes, data and infrastructure 2) community, economic, business and education dimensions 3) opportunities for commercialisation			
9	Our workforce and volunteers do not have sufficient development opportunities and are not connected to their services' objectives to drive change, spur innovation and improve performance.	- Our people are central to the success of our council and county. - Continued economic constraint and local government reform can impact on staff morale and service objectives. - Organisational culture impacts on our ability to address future challenges and make sustained improvements in areas that require it. - Corporate self-evaluation identified we need to do more to support staff and at the staff conference people indicated that the values of the authority are not always practiced. - To respond to these challenges	2014/15 2015/16 2016/17	Possible Possible Unlikely	Substantial Substantial Substantial	Medium Medium Low	- Engage with staff and communities to finalise the People and Organisational Development Strategy. This will ensure the strategy is focussed on addressing identified needs. - Once finalised, take forward the activities in the programme plan of the strategy which will bring together the many facets of people and organisational development we run to provide support and development for people whether they are inside or outside of our organisation	Peter Davies	Phil Murphy	Strong Communities

Ref	Risk (Effect and Event)	Reason why the risk has been identified (evidence) (Cause)	Risk Level				Actions proposed to mitigate risk	Service & Risk Owner	Cabinet Member	Select Committee
			Year	Likelihood	Impact	Risk Level				
		we will need to fully utilise and support the talent that exists inside our organisation and out, which includes volunteers. This will require new ways of working which themselves carry an inherent risk.								
10	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 in the three previous years up to 2013 to £427, the fifth lowest in Wales. In 2014, wage levels have increased to £466, equal 9th in Wales.</p> <p>A large element of the Monmouthshire workforce are out commuting.</p> <p>Whilst there is action we can take to help mitigate some of the risk, the economy in Monmouthshire will be impacted on by external market conditions that are outside of our control which increases the likelihood of the risk.</p> <p>Availability of assets which enhance the tourism offer, an</p>	<p>2014/15</p> <p>2015/16</p> <p>2016/17</p>	<p>Possible</p> <p>Possible</p> <p>Possible</p>	<p>Substantial</p> <p>Substantial</p> <p>Substantial</p>	<p>Medium</p> <p>Medium</p> <p>Medium</p>	<p>- Implement the Monmouthshire Business Growth and Enterprise Strategy action plan which has a specific focus to support business growth, encourage inward investment and growing entrepreneurs.</p> <p>- Complete the Vale of Usk Local Development Strategy, following consultation with wider partners, which will inform how the Rural Development Plan funding for the 2014-2020 period will be spent to coordinate action to maximise results across the Vale of Usk rural areas.</p>	Peter Davies	Bob Greenland	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
			Year	Likelihood	Impact	Risk Level				
		important part of the Monmouthshire economy, is a risk with continuing financial constraint								

Appendix 2

Risk Management – A summary of key points

Purpose

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

Information about Risk

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



Risk Tolerance

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

Describing Risk

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

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

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

Assessing Risk

Risks are assessed by the level of:

- likelihood of occurrence
- impact/severity of the consequences

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

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

	major	Low	Medium	High	High
	substantial	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.



REPORT

SUBJECT	REVENUE & CAPITAL BUDGET MONITORING 2014/15 MONTH 6 OUTTURN FORECAST STATEMENT
DIRECTORATE	Chief Executive's Unit
MEETING	Adults Select Committee
DATE	13th January 2015
DIVISIONS/WARD AFFECTED	All Authority

1. PURPOSE

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

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

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

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

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

3. MONITORING ANALYSIS

3.1 Revenue Position

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

3.1.2 Responsible Financial Officer's Summary of Overall Position

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

166

0

0

0

166

219

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

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

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

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

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

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

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

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

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

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

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

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

3.2 **Schools**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.3 2014/15 Savings Progress

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

In summary they are as follows,

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

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

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

Operations (OPS)

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

Enterprise (ENT)

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

Children and Young People (CYP)

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

Social Care & Health (SCH)

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

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

All

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

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

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

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

3.4 Capital Position

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

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

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

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

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

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

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

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

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

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

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

3.5 Capital Financing and Receipts

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

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

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

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

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

Useable Capital Receipts Available

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

Table 2: Movement in Available Useable Capital Receipts Forecast

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

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

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

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

4 REASONS

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

5 RESOURCE IMPLICATIONS

5.1 As contained in the report.

6 EQUALITY AND SUSTAINABLE DEVELOPMENT IMPLICATIONS

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

7 CONSULTEES

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

8 BACKGROUND PAPERS

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

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Appendices

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

Appendix 1

Savings Summary

Appendix
1

2014/15 Budgeted Service Savings Mandates Progress at Month 6

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 6

SOCIAL CARE & HEALTH

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 6

SOCIAL CARE & HEALTH

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

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

CHILDREN & YOUNG PEOPLE SELECT

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

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

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

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

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

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

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

2014/15 Budgeted Service Savings Mandates Progress at Month 6

Agenda Item 6

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

Strong Communities Select Committee Portfolio Position Statement
Position Statement and Prospective Scrutiny Points

Appendix 2

1. Revenue Outturn Forecast

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

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

1.2 The more significant over and underspends are,

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

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

2. 2014-15 Savings Progress

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

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

3. Capital Outturn Forecast

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

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

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

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

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

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

4. **Benchmarking**

- 4.1 The purpose of this section is to explore whether activity data, and comparison with other authorities provides members with an improved perspective of whether resources are being utilised in an efficient and effective fashion.
- 4.2 A condition of using Wales's datasets in a public document has been a need to anonymise particular Council data. Comparison has been sought with Councils of a similar demographic and rural nature, together with neighbours.
- 4.3 The nature of the services provided as part of Stronger Communities Select portfolio is very diverse. Consequently the focus for analysis where possible has been those areas identifying a financial challenge as part of financial monitoring process.

4.4 **Waste services**

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

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

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

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

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

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

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

4.5 Transport services

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

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

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

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

4.6 Highways & Road Planning & Maintenance

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

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

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

4.7 Property management

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

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

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

4.8 Corporate and Central Services

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 Supporting Financial Monitoring Workbooks (ctrl click to access)

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

[Revenue Monitoring Operations Qtr 2](#)

[Revenue Monitoring Corporate Qtr 2](#)

[Revenue Monitoring Appropriations Qtr 2](#)

[Revenue Monitoring Financing Qtr 2](#)

[Capital monitoring Qtr 2](#)

**Economy & Development Select Committee Portfolio
Position Statement and Prospective Scrutiny Points**

Appendix 3

1. Revenue Outturn Forecast

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

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

2. 2014-15 Savings Progress

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

3. Capital Outturn Forecast

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

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

4. **Benchmarking**

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

4.4 **Library Services**

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

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

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

4.5 Leisure Services

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

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

4.6 Heritage & Tourism Services

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

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

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

4.7 People Development

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

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

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

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

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

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

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

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

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

Adult Select Committee Portfolio
Position Statement and Prospective Scrutiny Points

Appendix 4

1. Revenue Outturn Forecast

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

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

2. 2014-15 Savings Progress

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

3. Capital Outturn Forecast

- 3.1 The capital budget for the year is £59,000. There was no slippage from 2013-14. An additional £200,000 revisions has occurred since month 3 to reflect Cabinet approval to replace SCH software ultimately funded from IT licence revenue savings within SCH.
- 3.2 At the start of 2014-15 the Council accrued for £3,000 worth of work completed but not invoiced. As at the end of month 6 it has incurred £88,000 costs, and forecasts an overspend of £29,000 due to the deficient standard of existing boiler plant. This is due to be funded by an underspend in Property Maintenance within the CYP Select portfolio.

4. Benchmarking

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

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

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

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

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

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

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

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

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

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

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

[Capital monitoring Qtr 2](#)

Children and Young People Select Committee Portfolio Position Statement and Prospective Scrutiny Points

Appendix 5

1. Revenue Outturn Forecast

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

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

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

2. 2014-15 Savings Progress

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

3. Schools reserves

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

4. Capital Outturn Forecast

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

5. Benchmarking

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6. Directors' Commentaries

6.1 Social Care & Health (Simon Burch)

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

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

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

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

6.2 Children & Young People (Sarah McGuinness)

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

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

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

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

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

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

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

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

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

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

[Capital monitoring Qtr 2](#)

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Adults Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
17 th December 2014 10am (Special Meeting)	Budget Context	Discussion of mandates / savings proposals for Adults: <ul style="list-style-type: none"> ▪ Collaboration on housing services and development of Careline services ▪ Sustaining Independent Lives in the community ▪ Adult Social Care Service Transformation 	Various	Budget Engagement
	Whole Authority Risk Log	Presentation of the Risk Log - Committee to identify areas of risk for scrutiny in New Year.	Matthew Gatehouse	Risk Monitoring
13 th January 2015	Risk Management	Monitor and challenge performance in relation to mitigating risks to ensure the Council achieves its outcomes and improvement objectives for communities, and delivers statutory plans/operational services - Challenge of Cabinet Members and Officers on key risks within the remit of the Select Committee.	Matthew Gatehouse	Risk Management
	Month 6 Revenue and Capital Budget Monitoring	Review of finance position for directorates and schools, identifying risks/trends in underspends and overspends.	Mark Howcroft	Budget Monitoring
17 th February (Special Meeting 10am)	Minor Injury Units	The decision taken by the Aneurin Bevan LHB to withdraw this service has had ramifications for other topics under scrutiny - Committee to discuss the performance of alternative service provision with the Health Board.	ABHB	External Scrutiny

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Adults Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
	"Integrated Care Priorities for the Last Days of Life"	Discussion with the Aneurin Bevan Health Board on the Welsh Governments strategy for Care pathways. Invite St David's Hospice.	ABHB	External Scrutiny
24th February 2015	Allocations Review	Pre-decision scrutiny of the revised allocations policy - invite Strong Communities Select Committee.	Ian Bakewell	Policy Review
	Deprivation of Liberty Safeguards	Scrutinise the implications of the new high court judgement and the financial implications on Adult Social Care and Health. Awaiting outcome of national review of DOLS - return to committee. Significant financial and legal implications.	Julie Boothroyd	Policy Review
14th April 2015	Careline	Committee agreed discussions needed to take place between social services and housing, Members welcoming regular performance updates.	Ian Bakewell	Policy Review
	GWICES	Torfaen host the scheme and lead on operations. Committee to scrutinise: - Services delivered and how they are configured - Cost of the service - Performance of the service	TBC	Performance Monitoring
	Month 7 Revenue and Capital Budget Monitoring	Review of finance position for directorates and schools, identifying risks/trends in underspends and overspends.	Tyrone Stokes	Budget Monitoring
May 2015	Performance Report on Adult Services	Periodic performance report on areas within the social services remit.	Mathew Gatehouse	Performance Monitoring

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Adults Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
	POVA	Committee to challenge performance in relation to the Protection of Vulnerable Adults framework and monitor progress annually.	Hilary Smart	Performance Monitoring
	Supporting People	Supporting People Grant report for pre-decision scrutiny. Position update due post-comprehensive spending review (published May 2015).	TBC	Performance Monitoring
May 2015	Annual Council Reporting Framework (ACRF) Report	ACRF report on Social Services to be discussed jointly with Adults and CYP Select Committees.	Simon Burch	Statutory Reporting
Special Meeting May /June 2015	Homelessness Discretionary Housing Payments Policy (Invite Strong Communities Select Committee)	Homelessness remains a key risk in the Whole Authority Strategic Risk Assessment 2012-15 which both Adults Select and Strong Communities Select are jointly responsible for scrutinising. The Committees agreed to scrutinise homelessness in conjunction with welfare reform. Agreed to revisit after the implementation of the Welfare Reform (6 months).	Ian Bakewell	Performance Monitoring
	Joint Housing Option Team	Ongoing scrutiny of the performance of the Joint Housing Option Team (collaboration with Torfaen Council).	Ian Bakewell	Performance Monitoring
June 2015	Improvement Plan 2014- 2017	Full year 2014-15 scrutiny of performance against the Improvement Objectives and the statutory 'all	Mathew Gatehouse	Performance Monitoring

Monmouthshire's Scrutiny Forward Work Programme 2014-2015

Adults Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
		Wales performance indicators'.		
	Outcome Agreements	The Council has a 3-year Outcome Agreement with the Welsh Government from 2014 - 2017, which outlines mutually beneficial targets and milestones that the Council will work towards, depending on performance (this is built into the medium term financial plan). The Select Committee is responsible for scrutinising performance of outcomes annually.	Mathew Gatehouse	Performance Monitoring
	Revenue and Capital Budget Monitoring - Outturn Reports	To review the financial situation for the directorate, identifying trends, risks and issues on the horizon with overspends/underspends).	Tyrone Stokes	Budget Monitoring
July 2015	TBC	TBC	TBC	TBC

Meeting Dates to be confirmed for:

- × Social Services Annual Complaints Report September 2015
- × Scrutiny of Partnerships - Work streams from Single Integrated Plan to be confirmed
- × Continuing Health Care - Topic Suggested by Member of Public - ABHB to be invited
- × Stroke Redesign - ongoing scrutiny of implementation - ABHB to be invited