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Tuesday, 26 January 2016

Notice of Reports Received following Publication of Agenda.

Cabinet

Wednesday, 3rd February, 2016 at 2.00 pm,
Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA

Attached are reports that the committee will consider as part of the original agenda but were submitted to democratic services following publication of the agenda.

Item No	Item	Pages
3.8	Month 9 Monitoring Report - supplementary	1 - 104

Paul Matthews
Chief Executive

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REPORT

SUBJECT	REVENUE & CAPITAL MONITORING 2015/16 MONTH 9 OUTTURN FORECAST STATEMENT
DIRECTORATE	Chief Executive's Unit
MEETING	Cabinet
DATE	3rd February 2016
DIVISIONS/ WARD AFFECTED	All Authority

PURPOSE

The purpose of this report is to provide Members with information on the forecast revenue outturn position of the Authority at the end of reporting period 3 which represents month 9 financial information for the 2015/16 financial year.

1.2 This report will also be considered by Select Committees as part of their responsibility to,

- assess whether effective budget monitoring is taking place,
- monitor the extent to which budgets are spent in accordance with agreed budget and policy framework,
- challenge the reasonableness of projected over or underspends, and
- monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.

2. RECOMMENDATIONS PROPOSED TO CABINET

2.1 That Members consider the position concerning the third period of revenue monitoring in 2015/16 (£162,000 overspend), and seek assurance that Chief Officers will continue to work on delivering the £1.6 million Recovery Plan reported to December 2015 Cabinet.

2.2 That Senior officers follow the requirement of the Protection of Employment Policy which requires that all redundancy and pension costs must be reported to and agreed by Cabinet before final approval.

- 2.3 Members consider the position concerning period 3 (Month 9) Capital Monitoring 2015/16 of an estimated £23.8million spend against a net budget of £23.9million, after proposed slippage of £37.7 million, notes the improvement in a need for slippage reported by managers (after excluding 21c schools), and the reservation that this necessitates managers incurring £12.5million expense during the last quarter, when collective they only spent £11.3 million in preceding periods this year.
- 2.4 Requests the addition of two wholly funded section 106 funded capital schemes to the capital programme, which managers report will be fully utilised by the end of March 2016:
- A capital budget of £40,000 to allow for the construction of a Puffin crossing in the vicinity of the development at Saw Mill house funded from S106 contributions from the development at Saw Mill house, Little Mill.
 - A capital budget of £6,800 to continue the implementation of the Monmouth Links Connect 2 walking and cycling network funded from Section 106 contributions received from the development at the Almshouses, St James' square Monmouth.

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 Period 3

Table 1: Council Fund 2015/16 Outturn Forecast Summary Statement at Period 3 (Month 9)	Annual Forecast @ Month 9	Revised Annual Budget @ Month 9	Forecast Over/(Under) Spend @ Month 9	Forecast Over/(Under) Spend @ Month 6	Forecast Variance Month 6 to Month 9	Forecast Over/(Under) Spend @ Month 2	Forecast Variance Month 2 to Month 6
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Social Care & Health	39,475	38,247	1,228	1,101	127	519	582
Children & Young People	51,491	51,351	140	197	(57)	274	(77)
Enterprise	10,162	10,140	22	601	(579)	338	263
Operations	16,148	16,308	(160)	339	(499)	634	(295)
Chief Executives Unit	6,810	7,002	(192)	(31)	(161)	(120)	89
Corporate Costs & Levies	18,115	18,215	(100)	(61)	(39)	63	(124)
Net Cost of Services	142,201	141,264	937	2,146	(1,209)	1,708	438
Attributable Costs – Fixed Asset Disposal	150	233	(82)	(51)	(31)	0	(51)
Interest & Investment Income	(100)	(51)	(49)	(33)	(16)	(30)	(3)
Interest Payable & Similar Charges	3,275	3,662	(387)	(382)	(5)	(202)	(180)
Charges Required Under Regulation	5,536	5,776	(241)	30	(271)	74	(44)
Contributions to Reserves	90	95	(5)	0	(5)	0	0
Contributions from Reserves	(1,862)	(2,773)	911	108	803	(90)	198

Capital Expenditure financed from reserves	210	210	0	0	0	0	0
Amounts to be met from Government Grants and Local Taxation	149,500	148,416	1,084	1,818	(734)	1,460	358
General Government Grants	(67,642)	(67,642)	0	0	0	0	0
Non-Domestic Rates	(26,737)	(26,737)	0	0	0	0	0
Council Tax	(60,844)	(60,094)	(750)	(600)	(150)	(500)	(100)
Council Tax Benefits Support	5,925	6,097	(172)	(152)	(20)	(93)	(59)
Net Council Fund (Surplus) / Deficit	202	40	162	1,066	(904)	867	199
Budgeted contribution from Council Fund	-40	(40)	0	0	0	0	0
	162	0	162	1,066	(904)	867	199

3.1.3 The bottom line situation, a £162k potential overspend needs some further analysis to understand the underlying position. This overspend includes £620k overspend in relation to non school redundancy costs (which are still subject to member approval). Setting these one off costs aside would reduce the overspend to an underspend of £458k.

3.1.4 However the position reported above also includes £778k of underspends relating to reserve funded projects which are now going to be deferred to 2016/17. Taking this into account results in an **overspend of £320k overall and a £1.096 million overspend in net cost of services.**

3.1.5 The analysis in the table below takes the “simple” outturn prediction for services and adjusts for the unbudgeted redundancy costs that Directorates are forecasting, and the extent of reserve usage planned that instead Directorates request is deferred to a later year:

Directorate Cost	Outturn Reported based on month 9 data	Redundancy costs not budgeted for not falling to schools	Adjusted Outturn	Reserve funded expenditure requested deferred	Adjusted budget	“Real” variance against budget
Social Care & health	39,475	(11)	39,464	(97)	38,150	1,314
Children and young people	51,491		51,491		51,351	140
Enterprise	10,162	(557)	9,605	(662)	9,478	127
Operations	16,148	(52)	16,096		16,308	(212)
Chief Executives	6,810		6,810	(19)	6,983	(173)
Corporate Costs & levies	18,115		18,115		18,215	(100)
Net Cost of Services	142,201	(620)	141,581	(778)	140,485	1,096

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3.1.6 The main overspending areas are:

- Social Care and Health (£1.3m), although the main pressure continues to exhibit in Childrens Services (£1.5m) and is compensated in part by the beneficial situation in Adult, Commissioning and Community Care
- CYP Directorate exhibits a slightly worsening position (£140k overspend) relating to the Primary Schools, CYP Management and the Youth Service
- Enterprise overspend of £127k relating to recovery plan savings not met and further pressures in some service areas
- Operations, Chief Executive’s and Corporate are all now exhibiting an underspend forecast which in part offsets the overspends above.

3.1.7 The expectation of the Recovery Plan approved by Cabinet in December was to reduce the net cost of service overspend at month 6 from £2.146 million to £800k with the remaining overspend being met from Treasury and Council tax surplus. The above analysis shows that progress is being made to deliver on the plan.

3.1.8 Given the financial challenges that will continue to face the Authority for the foreseeable future, Chief Officers continue to be tasked with ensuring that services live within the budgets and savings targets set for the current financial year and deliver on the recovery plan agreed by Cabinet. The outturn report will contain information on what has been done to manage the over spends identified and the positive action that has been undertaken to ensure that the outturn comes in on budget.

3.1.9 Slippage on Reserve funded projects

The following table indicates the extent of budgeted reserve funding anticipated utilised by Directorates and that element of approved expenditure they request to be deferred.. These include,

Directorate	Project	Reserve Source	Reserve funding utilised in 2015-16	Reserve funding deferred to 2016-17
Enterprise	Superfast Broadband facilitation	IT transformation	53,200	20,000
	Centre of Innovation funding for Magor 2 building	Invest to Redesign	90,000	40,000
	Reserve funding to facilitate 14-15 mandates	Invest to Redesign	0	49,000
	Eisteddfod	Priority Investment	145,000	430,455
	Local development plan	Priority Investment	0	100,000
	HR restructure	Invest to Redesign	0	22,500
	Innovation and marketing assistance to deliver mandates	Invest to Redesign	105,000	0
	Informing the future of Cultural services	Invest to Redesign	24,000	0
	City Deal Contribution	Priority Investment	30,300	
	CMC2 shortfall 14-15	Priority Investment	140,000	
Sub Total Enterprise			587,500	661,955
Social Care & Health	Service Transformation Adult Social Care	Invest to Redesign	103,000	57,125
	Childrens Services Temporary Staff	Priority Investment	113,347	40,000
Sub Total Social Care			216,347	97,125
Children & Young People	Innovation and marketing assistance to deliver mandates	Invest to Redesign	60,000	0
	CYP development fund	Priority Investment	273,422	
	Restorative Approaches	Priority Investment	61,000	
	Raising Education standards	Priority Investment	56,000	
Sub Total Children & Young People			450,422	0
Sub Total Operations	Bus lease repayments	Grass Routes Buses	25,913	0

Chief Executives	Council Tax Recovery	Invest to Redesign	28,817	0
	Innovation and marketing assistance to deliver mandates	Invest to Redesign	26,000	19,000
	Reserve funding to facilitate 14-15 mandates	Invest to Redesign	13,000	0
	NNDR hardship case	Priority Investment	18,750	
Sub Total Chief Executive's			86,567	19,000
Sub Total Corporate	Redundancy Strain Costs	Redundancy & pension	325,434	0
Appropriations	Fixed asset disposal	Capital receipts generation reserve	100,369	132,988
	Vehicle leasing	Invest to Save Advances	8,583	
	Prudentially borrowed vehicle repayments	Invest to Redesign	60,737	0
Sub Total Appropriations			169,689	132,988
Total			1,861,872	911,068

3.1.10 Redundancy costs

In support of the summary table redundancy column included in para 3.1.5 above, the following provides greater detail for members of the redundancy costs incurred by Sections during the year.

Directorate	Service	Redundancy Costs 2015-16 to date
Enterprise	Strategic Management	85,279
	Community Hubs	300,973
	Community Education	96,317
	Leisure	18,081
	Markets	24,519
	Whole Place	31,392
	Sub total	556,561
Operations	Transport	9,131

	Building Cleaning	1,091
	Resources	7,271
	Grounds	30,752
	Highways	3,978
	Sub total	52,223
Social Care & Health	Supporting People	1,932
	My Day	8,783
	Sub total	10,715
Children & Young People	Schools	465,742
Total		1,085,241

3.1.11 When managers initially highlight the re-engineering of services, there is often a potential for redundancy payments, but it is not possible to quantify the extent of these costs without prejudicing the outcome of the interview process or the success of redeployment. A second report is required to quantify these costs prior to being incurred for member approval. The Protection of Employment Policy states that:

All redundancy and Pension costs must be reported to and agreed by Cabinet before final approval. All costs associated from redundancy and/or re-deployment will be borne by the service budget.

3.1.11 A summary of main pressures and under spends within the Net Cost of Services Directorates are presented here:

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Social Care & Health (SCH)					
ADULT SERVICES					
Severn View DC & My Day DC	(13)	0	(13)	12	Increased use of temporary staff to cover long term sickness has led to reduction in savings.
Mardy Park Rehabilitation Unit	(12)	0	(12)	0	Section 33 income is running ahead of budget but has reduced
MardyPark	60	0	60	12	Due to low level of income as a result of falling long term clients. A recently approved transformation model will look to readdress this position.
Severn View Residential	93	0	93	32	Combination of mandate savings not being achieved plus lower income charges from less full paying clients.
Direct Care	(71)	0	(71)	8	Reflects increased income from client referrals and Management vacancy
Transition Co-operative	(24)	0	(24)	0	Relates to income from staff seconded to an external agency.
Adult Services Man/Support	(103)	0	(103)	(4)	Current Disabilities team manager vacancy plus ICF grant meeting costs of the Direct Care team manager.
CHILDREN SERVICES					
Fostering Allowances and Payments For Skills	144	0	144	(12)	Reflects financial support to the current number and age mix of children in foster care and skills payments to carers with SGO's
Younger People's Accommodation	(66)	0	(66)	30	This budget is prone to volatility and since month 6 we are supporting two more placements costing £1,600 per week.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Ty'r Enfys	(52)	0	(52)	0	This facility with now remain closed for the entire year.
Counsel Costs	18	0	18	0	This service has received extra budget provision during the period of reporting
Therapeutic Service	(28)	0	(28)	0	Under spend due to vacant Play Therapist post being filled on a part time basis from 07/09/15
External Placements – LAC	1,094	0	1,094	174	Current activity is 70 placements (64 at M6) and we are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC	(96)	0	(96)	1	This cost centre is generally used to fund the over spend within S026.
GWICES (Gwent Wide Integrated Community Equip Services	(26)	0	(26)	0	Forecast based on GWICES report for November 2015 received from the host Torfaen CBC
Other Children's Services –appendix 6	(4)	0	(4)	(8)	
SCYP - Placement & Support Team	122	0	122	(6)	Over spend due to use of agency staff, contact and assessment costs and home to school transport. More recently this budget has funded building work to create in house contact centres.
Children Services Safeguarding Unit	(27)	0	(27)	(6)	Under spend relates to a vacant part time Independent Reviewing Officer post not expected to be filled until 2016/17.
SCYP - Supporting Children & Young People Team	233	0	233	35	Overspend relates to the employment of 7 agency workers to cover staff sickness and capacity issues and a 77% increase in transport costs since last year.
Disabled Children	91	0	91	3	Large part of overspend relates to the continued use of agency staff to cover sickness and the employment of a Student Placement Social Worker.
FRS – Family Support Team	42	0	42	15	This budget is currently employing the services of 12 social workers to cover for various staff absences.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Bus Cases / Temp Funding - Cabinet 06/05/15	(77)	0	83	(161)	Underspend relates to delayed appointment to social worker posts connected with approved business cases
COMMUNITY CARE					
Aids for Daily Living	(9)	0	(99)	22	Forecast based on GWICES report for August 2015 received from the host Torfaen CBC
Adult Transformation	(57)	0	(57)	0	Delay reserve funding by £57K into 2015/16. Head of Service to make formal reserve slippage request.
Other Social Care	9	n/a	9	(16)	See appendix 6
COMMISSIONING	(15)	0	(15)	(7)	See appendix 6
RESOURCES	2	0	2	3	See appendix 6
Total SCH at Month 9	1,228	0	1,228	127	Total SCH Outturn at Month 9

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Children & Young People (CYP)					
ISB	115	0	115	87	Additional costs of protection at schools, adverse school rateable value change and additional professional fees
Management	24	n/a	24	(12)	Professional fees relating to schools moved to ISB
Financial Management Services	30	n/a	30	14	vacancy has been temporarily filled earlier than previously anticipated at M6

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Support Services	19	n/a	19	(18)	Legal costs incurred by the Authority offset by saving in H&S assessments in transport.
Additional Learning needs	(152)	n/a	(152)	(50)	Recoupment income increased due to price increase w.e.f. from January and vacancy left open. The departmental recovery plan stated that £60,000 extra would be recovered in relation to recoupment charges. This has been received, however there is an overspend on the contingency budget which has offset some of this. We are still anticipating a further £20,000 saving on our collaborative arrangements. This will not be known until year end.
Early Years	(45)	0	(45)	(45)	Due to the establishment of a new LA nursery there are less children attending a non-maintained setting.
Primary Breakfast Initiative Grant	55	n/a	55	0	Take up continues to increase and therefore resulting in additional staffing requirements.
Community Education Youth General	(26)	137	111	(26)	Funding from Torfaen Training has since reduced in 15-16, however the ESF grant will now start on the 1 st February allowing this grant to be claimed for two months of 15-16 The departmental recovery plan anticipated a further £60,000 in grant income, notification has been received that this has been delayed until 2016-17 financial year.
Other CYP	(17)	n/a	(17)	(7)	See Appendix 7. The departmental recovery plan indicated a saving of £44,000. While a proportion of this will have been made, some vacancies were filled earlier than anticipated. All budget holders are ensuring that no non-essential spend it being made.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Total CYP at Month 9	3	137	140	(57)	Total CYP Outturn at Month 9

Enterprise (ENT)					
Sustainability	65	33	98	15	Sections' inability to achieve the expected income targets. Therefore, recovery plan target unlikely to be met
Strategic Property Management	(50)	0	(50)	7	Under spend relates partly to a staff vacancy, and a reduction in budgeted professional fee's. The departmental recovery plan included a £33,000 saving on asset rentals and maintenance, at month 9 only £6,000 has been achieved.
Cemeteries	(76)	n/a	(76)	(33)	Continuing increase in budgeted income along with lower than anticipated expenditure,
County Farms Unit	(15)	n/a	(15)	(24)	Variance from month 6 to month 9 is a reduction is expected maintenance along with higher than anticipated income from recovered outstanding rentals. The departmental recovery plan set at month 6 included a reduction in maintenance spend of £50,000, currently £25,000 has been achieved
Markets	105	33	138	30	Overspend on employee costs due to delayed implementation of restructure along with unbudgeted overtime. The section is also forecasting an inability to meet the increase income target (Mandate £50k Markets Income) Redundancy cost increased
Community Education	178	0	178	88	£50,262 relates to one off redundancy costs which the section requests reserve funding. The remaining £40,000 due to the reduction in franchise income. M6 to M9 increase due to unbudgeted Hanbury House costs and delayed restructure
Community Hubs	261	125	386	71	due to £328k one off redundancy costs which have already been incurred at month 9 and £58k of redundancy costs which will be incurred by year end,
Eisteddfod	(430)	0	(430)	(430)	This years spend is likely to be around £145k but there is still uncertainty around these costs with the remaining £330k needing to be rolled forward into 16-17 as the agreed project runs over two financial years.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Homelessness	(46)	0	(46)	3	Funding of the Financial Inclusion Officer coming from the Implementing the Housing Act Grant £28,000 and a reduction in expenditure against B&B accommodation offset by bad debt write offs since M6
Renovation Grants	18	0	18	18	Overspend relates to unbudgeted overheads on DFG grant income
Lodgings Scheme	(40)	0	(40)	5	Occupancy levels being forecast at a fairly high level therefore increasing the amount of rental income and HB benefit.
Spend to Save	(27)	0	(27)	2	Saving due to unexpected one-off grant funding
Whole Place	(20)	n/a	(20)	22	Staff vacancies - Delayed appointment, reduction since M6 due to redundancy costs
People Services, Innovation & Business	(201)	0	(201)	(201)	Savings due to reduced budgeted calls on reserves
General Overheads	1	112	113	3	The 100k savings that were to be achieved through in-house software development and the sale of products will not occur. This formed part of the departmental recovery plan set at month 6 and it is currently anticipated that none of these savings will be achieved. Other options to look for alternative savings are being actively sought.
Development Plans	(150)	0	(150)	0	LDP savings as scheme unlikely to be implemented in 2015-16
Leisure Services	(20)	30	10	(85)	20k over spend from Children's Services. 30k relates to a learning Co-ordinator post that is not grant funded anymore, 15k 3G pitch income issues with the lighting and electricity supply. The £35,000 saving built into the departmental recovery plan from increased income has not materialised see Appendix 8 for further detailed comments
Museums, Shirehall, Caldicot Castle & Country Parks	99	45	144	(6)	Budget does not reflect the cost to run the service. Historic budget assumptions along with 24k savings from 13-14 carried forward will not be made. Income on target for 15-16 but spend to achieve this income will be over budget. Of the £30,000 built into the recovery plan £8,000 has been achieved through the winter closure of Chepstow TIC, the remaining £22,000 is yet to be found.

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Other Enterprise	(8)	0	(8)	(64)	See Appendix 8
Total ENT at Month 9	(356)	378	22	(579)	Total ENT Outturn at Month 9

Page 15	Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
	Operations (OPS)					
	Transport Policy	(19)	0	(19)	(14)	Increase in income due to favourable winter weather conditions
	Highways	(360)	50	(310)	(295)	Highways is forecasting to underspend by £310,000 due to SWTRA income £250k, Operations savings £40k and increase in Fixed Penalty notices on street works £20k. The advertising income target is now unachievable this financial year due to approval delays. Currently the section has achieved £140,000 of the £215,000 targeted savings included in the month 6 Recovery Plan. It is now anticipated that certain income targets set in the plan will not be met, in particular road closure and pre-app planning fees and also advertising.
Public Transport Subsidy LTSG Grant	37	0	37	32	Un-budgeted staff costs, mainly on salaries and overtime and an increase in transport costs.	

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Public Transport Subsidy Grant	(44)	0	(44)	4	Administering the Bus Services Support Grant is claimable against the grant £50,000, this has been off set by small over spend on vehicle and transport costs of £5,000 in quarter 3.
Home To School Transport	335	0	335	0	The over spend against budget is due to similar issues to that in 2014-15, in particular the assumed ALN transport savings have proven unachievable, budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17.
School Transport – External	(92)	0	(92)	(92)	Vacant post £11,000 and reductions in transportation costs and season tickets £81,000. The £15k listed in the departmental recovery plan at month 6 is expected to be achieved by year end.
Special Educational Needs	(32)	0	(32)	(32)	Vacant post £11,000 and reductions in transportation costs and season tickets £21,000.
Building Cleaning	25		25	0	Overspend due to delayed implementation of the mandate saving - transferring public conveniences to town councils.
Schools Catering	42	n/a	42	7	Increased costs due to the councils need to comply with Healthy Eating In Schools agenda, M6 to M9 relates to additional staffing costs to cover sick absence.
Resources	119	n/a	119	16	Forecasted deficit position is due to a reduction in income as a result of a shortfall in capital fees.
Accommodation	(159)	n/a	(159)	(9)	Underspend due to a continued reduction in premises and supplies and services costs on all accommodation
Grounds Maintenance	(75)	0	(75)	(75)	Increase in external income. A target of £70,000 was included in the departmental recovery plan, the unit is expected to exceed this by £5k.
Refuse & Cleansing Operations	(25)	25	0	(20)	pressures of the budget mandates are still real, however have been mitigated by a reduction in fuel costs (£80k benefit from budget) and a reduction in Superannuation as about 20 staff have opted out of the Council provided pension (£96k). Managers are to engage with staff to ensure that their decision to opt out of the pension is what they want to do, so

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
					this may not be a recurring saving. All of the £30k listed in the departmental recovery plan is expected to be found by year end.
RAG Training	46	0	46	0	Has seen demand fall due to both increasing competition from other training providers and Council's facing major budget pressures only undertaking mandatory training.
Other Operations	(33)	0	(33)	(11)	See Appendix 9 – A £10,000 building maintenance saving included in the recovery plan will be achieved by year end.
Total OPS at Month 9	(235)	75	(160)	(499)	Total OPS Outturn at Month 9

Chief Executive's Office (CEO)					
Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Customer Relations	12	0	12	0	Professional fees incurred during a complaint investigation.

Members Costs	17	0	17	17	Mainly inability to make vacancy factor savings
Democratic Services	(43)	0	(43)	(43)	Savings in supplies & services and unfilled staff vacancy
Legal	(25)	0	(25)	(25)	Savings in supplies & services and unfilled staff vacancy
Public Protection	(36)	0	(36)	(30)	Savings in supplies & services and unfilled staff vacancy
Benefits	(67)	n/a	(67)	(37)	Savings in Housing Benefit expenditure and reduced administration costs.
Council Tax & NNDR Administration	55	0	55	(10)	Forecast shortfall in income from court fees slightly improved from M6, includes potential redundancy costs for Officer
Cashiers	14	0	14	(2)	Overspend is largely attributable to estimated annual card fees
Revenues Systems Administration	(33)	0	(33)	10	Vacant post, reduced petrol costs and reduced system costs as proportion now charged to Housing Benefits. Decrease due to service costs for CIVICA system
Financial Systems Support and VAT	(5)	0	(5)	2	additional income from Schools following the renegotiation of contract costs
Communications	30	0	30	30	due to an under recovery of costs for the post of Digital Media Designer
Policy and Partnership Management	(43)	0	(43)	(14)	Mainly £32,000 of one off LSB grant attributable to a post which is currently vacant. £10k for other vacant post.
Other CEO	(68)	0	(68)	(59)	See Appendix 10
Total CEO at Month 9	(192)	0	(192)	(161)	Total CEO Outturn at Month 9

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Corporate (COL)					
Audit Commission Fees (Certification Grant Claims)	(36)	n/a	(36)	14	Forecasted saving in relation to the auditing of grant claims
Drainage Levies	10	0	10	10	Drainage Levy original budget insufficient for service cost
Coroner Fees	16	0	16	0	Original budget insufficient for service costs

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
HMRC Rate Reimbursements	(29)	0	(29)	7	VAT rebates exercise
Early Retirement Pension Costs	161	n/a	161	11	Additional cost of redundancies notified in latter part of 2014/15 & during 2015/16
Insurance Premium Payment(Direct)	(67)	n/a	(67)	(7)	Based on reduction in premium costs as a result of the tender completed in September 2015.
Insurance Settlement Expenditure	(65)	0	(65)	(65)	Insurance settlement claims predicted to be lower due to reduced claims activity
Indirect Revenue Gains Reserve	(97)	0	(97)	17	Rate rebates from MCC Properties
Other Corporate	7	0	7	1	See appendix 11
Total COL at Month 9	(100)	0	(100)	(40)	Total COL Outturn at Month 9

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Appropriations (APP)					
Attributable Costs - Fixed Asset Disposal	(82)	0	(82)	(31)	12 Schemes delayed mainly due to a rethink of disposal strategy to optimise receipts
Interest and Investment Income	(49)	0	(49)	(16)	Increased cash income due to increased cash balances - in turn due to temporary borrowing taken out when rates were advantageous to prevent concentrated borrowing at difficult times.
Interest Payable and Similar Charges	(387)	n/a	(387)	(5)	saving against budget due to long term debt not being taken out and temporary borrowing being at a lower rate than budgeted
Charges Required Under Regulation	(241)	n/a	(241)	(271)	Consistent with recovery plan intentions, a planned set aside of £6m of capital receipts in 2016/17 will be brought forward a year from 16/17 as there is a balance of receipts available to do this and this will achieve a saving on MRP payments due.
Earmarked Contributions Reserves (Revenue)	906	n/a	906	799	£911k of budgeted spend expected to be slipped to 16/17; offset by additional reimbursement (£5k)

Directorate / Service area	Forecast Outturn Position exclusive of savings not yet achieved £'000	Targeted 2015-16 Savings not yet realised £'000	Forecast Outturn Position <u>net</u> of savings not achieved £'000	Movement since Period 2 Red= Adverse (Green) = Favourable	Headline Comment
Other Appropriations	0	0	0	0	
Total APP at Month 9	147	0	147	528	App Outturn at Month 9

Financing (FIN)					
Council Tax	(750)	n/a	(750)	(150)	Surplus due to projected better Council Tax Collection rates as a result of increasing Council Tax base.
Benefit Support	(172)	n/a	(172)	(20)	The forecast reflects the current commitments within the system. Caseloads continue to reduce, a trend that is expected to continue through to year end.
Total Financing	(922)	0	(922)	(170)	
Grand Total @ Month 9	(325)	590	265	(801)	

3.1.12 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 outturn forecast Schools' balances position based on month 9 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 9 (Period 3)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Budgeted Draw on School Balances 2015-16 £'000	(C) Variance on Budgeted Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month 9 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	(D) Draw Forecasted on School Balances @ Month 6 £'000	Variance Month 6 To Month 9 £'000	Draw Forecasted on School Balances @ Month 2 £'000	Variance Month 2 To Month 6 £'000
Clusters									
Abergavenny	(412)	124	(24)	46	(366)	(19)	63	(312)	(119)
Caldicot	(426)	275	(23)	112	(314)	153	(41)	(174)	(99)
Chepstow	98	36	9	80	178	63	17	143	18
Monmouth	(424)	166	27	138	(286)	154	(16)	(231)	(39)
Special	24	(18)	(10)	116	140	105	11	(4)	133
Total	(1,140)	583	(21)	491	(649)	457	(34)	(578)	105

3.2.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £491,000 for 2015/16, therefore leaving £649,000 as forecasted closing reserve balances.

3.2.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, Chepstow Comprehensive school have a recovery plan in place, the latest forecast indicates an increase in the deficit for the school. This is due to the contribution to redundancy costs that the school has incurred. The recovery plan is currently being reviewed and given the number of pupils on roll this deficit will still be met over the duration of the plan.

3.2.4 5 schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crocorney (£15,039), Castle Park (£39,730), Chepstow Comprehensive (£388,687) Llandogo (£12,347) and Mounton House Special School (£25,955). Of these five schools the following three have seen an increase in their deficit balance at month 9, Llanvihangel Crocorney (£30,947), this is due to the pupil numbers in the school increasing and therefore an additional teacher needed to be employed, Mounton House Special School (£142,391) due to significant staffing changes and a delay in grant funding through the ESF project and Chepstow Comprehensive (£399,926). Overmonnow are now projected to have a surplus closing school balance after the implementation of a recovery plan since month 6.

3.2.5 An increase in Chepstow’s deficit is inconsistent with Governors recovery plan aspirations that the Council had endorsed, which continues to be monitored closely in consideration of whether the Council continues to endorse such proposals. The situation has been adversely affected by “catch up” water charges which had historically been estimated and the payment of 2 compromise agreements for staff affected by the redundancy exercise. Colleagues in CYP are currently modelling changes in post 16 apportionments between the 4 secondary schools, to establish whether this will have an unanticipated positive effect on the balance position. Irrespective of this, Governors remain confident that recovery will still take place in the original year set.

3.2.5 Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(649)

3.2.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren’t being used to subsidise and sustain core costs such as staffing.

3.2.7 Further information on Schools is provided in Children & Young People Select Appendix 5.

3.3 2015/16 Savings Progress

3.3.1 This section monitors the specific savings initiatives and the progress made in delivering them in full by the end of 2015/16 financial year as part of the MTFP budgeting process.

In summary they are as follows:

2015/16 Mandated Budgeted Savings Progress at Month 9

DIRECTORATE	Specific Savings Initiatives 2015/16 £'s	Savings Identified @ Month 9 £'s	Percentage Progress In Savings Achieved %	Delayed Savings to 2016/17 £'s	Savings Unachievable in 2015/16 £'s
Children & Young People	1,514,000	1,377,000	91%	0	137,000
Social Care & Health	274,000	274,000	100%	0	0
Enterprise	1,392,983	1,015,983	73%	125,000	253,000
Operations	1,513,000	1,438,000	95%	50,000	25,000
Chief Executives Office	85,000	85,000	100%	0	0
Total Budgeted Savings	4,778,983	4,189,983	88%	175,000	415,000

3.3.2 Forecasted mandated savings are currently running at 88%, with £415,000 being deemed unachievable at the end of month 9, and a further £175,000 unlikely to crystallise in 2015-16.

3.3.3 The emphasis of reporting savings has changed from previously where savings were reported when they were manifest, however the judgement is now whether saving is forecast to be achieved.

3.3.4 The savings appendix also has a traffic light system to indicate whether savings are likely to be achieved or have reasons explaining the mandates delayed implementation against the original and revised delivery recovery plans. The following savings mandates are still reported to be high or medium risk.

Operations (OPS)

- Highways advertising income is forecasting a £50,000 delayed saving due to planning issues in regard to the implementation of the scheme.
- Trade Waste are indicating that the sale of extra trade waste re-cycling bags (£25,000) is likely to be unachievable within the remainder of the financial year.

Enterprise (ENT)

- Utility supply issues at the Caldicot 3G sports pitch has resulted in reduced income of £15,000 and £15,000 for caretaker charges at Abergavenny Leisure Centre. Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K.
- Sustainable Energy Initiatives is reporting £33,000 of unachievable income targets
- Museums, Shirehall & Castles and Tourism – £15,000 shortfall due extra staffing requirements at Chepstow TIC and unattainable green screen savings (£10,000) and conservation income (£20,000). There has been no positive impact as a result of the alternative delivery plan as at month 9.
- In House development of ICT systems and associated income generation estimated at £100,000 will not occur with additional savings of £12,000 still be found from software contracts.
- MCC Markets are indicating that the extra income of £33,000 from the Markets and associated activities is unachievable due to budget pressures relating to the Borough theatre. The service is forecasting to achieve 37k against the alternative delivery plan of ceasing all repair and maintenance work to the asset portfolio.
- The delayed implementation of the Community Hubs project has led to a £125,000 savings shortfall.

Children and Young People (CYP)

- The Youth Service are forecasting to achieve £63,000 of the mandated savings (£200,000) and have identified the shortfall as being two grants that have been delayed until 2016/17 that were also part of the alternative delivery plan agreed in December by Cabinet

Social Care & Health (SCH)

- The Mandates for Adult Social Care Service re-design and the transfer of SCH Transition project staff to Bright New Futures are forecast to be fully achieved.

Chief Executive's Office

- All current financial year savings have been identified within the Chief Executive's section of responsibility.

3.4 Capital Position

3.4.1 The summary Capital position as at month 9 is as follows

MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 9 by SELECT COMMITTEE						
CAPITAL BUDGET SELECT PORTFOLIO	Annual Forecast	Slippage Brought Forward	Total Approved Budget 2015/16	Provisional Capital Slippage to 2016/17	Revised Capital Budget 2015/16	Forecasted Capital Expenditure Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Children & Young People	15,200	7,267	51,351	(36,041)	15,310	(110)
Adult	337	35	353	(15)	337	0
Economic & Development	758	531	1,186	(458)	728	30
Strong Communities	7,531	2,940	8,723	(1,197)	7,527	4
Capital Schemes Total	23,826	10,773	61,613	(37,713)	23,900	(76)

MCC CAPITAL BUDGET MONITORING 2015-16 AT MONTH 9 BY SCHEME CATEGORY

CAPITAL BUDGET SCHEME	Annual Forecast	Slippage Brought Forward	Total Approved Budget 2015/16	Provisional Capital Slippage to 2016/17	Revised Capital Budget 2015/16	Forecasted Capital Expenditure Variance
	£'000	£'000	£'000	£'000	£'000	£'000
Asset Management Schemes	3,751	889	4,079	(338)	3,741	10
Future Schools	13,551	6,699	48,896	(35,235)	13,661	(110)
Other School development Schemes	269	219	1,075	(806)	269	0
Infrastructure & Transport	3,174	670	3,242	(68)	3,174	0
Regeneration Schemes	936	947	1,554	(644)	910	26
Sustainability Schemes	94	81	126	(29)	96	(2)
County Farm Schemes	226	152	352	(123)	230	(4)
Inclusion Schemes	1,354	348	1,354	0	1,354	0
ICT Schemes	277	188	288	(11)	277	0
Other Schemes	193	581	646	(457)	189	4
Capital Schemes Total	23,825	10,773	61,612	(37,711)	23,901	(76)

3.5 Proposed Slippage to 2016-17

- 3.5.1 The only major proposed slippage apparent at month 9 relates to 21c schools initiative, a further £1.585 million in addition to that reported at month 6 and reflects the latest cashflow profile provided by CYP colleagues.
- 3.5.2 So ignoring the slippage which pertains to 21c schools, this means that service managers have requested far lower slippage levels £2,433,000 and £38,000 for services managers and property services respectively in comparison to the outturn levels last year of £4,031,000 and £532,000.

The risk associated with reporting far lower slippage levels is the pressure this puts on managers to convert their commitments during the last quarter into actual expenditure. Indicatively actual expenditure incurred is £11.3m and will require managers to convert £5.1m commitments and incur a further £7.4m in the last quarter, combined £12.5m, which is more than they incurred in the previous 8 months.

The more significant areas have been reminded of this, and that there will be no automatic right to slippage at year end. However all are intent to stand by their predictions. The same discipline will be applied at outturn to consider whether to recommend slippage to Members, i.e.

- whether there has been little or no progress in 12 month,
- the level of expenditure incurred this year has been less than in year budget and slippage b/fwd., to consider any opportunity to realign the budget to more realistic levels or reprofile budget more accurately over multiple years,
- or where there are identified problems/barriers to progress e.g. no agreement over scheme, archaeological considerations, planning considerations not yet satisfied or where the manager hasn't clearly evidenced why this should be slippage in the request made.

- 3.5.3 Potentially the Council has costs to incur in remediating the ex-community education building in Usk. This situation is still being quantified, but officers have suggested utilising the slippage associated with County Farms maintenance should it prove necessary rather than create further pressures on the capital programme. This change, should it be necessary, wouldn't be made without future report to members for consideration.

3.6 Capital Outturn

- 3.6.1 After allowing for the indicative slippage volunteered by services, the capital programme for 2015-16 is forecasting to be £76,000 under spent at Month 9. This is predominantly a saving on the Raglan element of 21c schools programme, and shouldn't be viewed as available for redistribution as members may recall agreeing a call upon this underspend to part afford the ICT schools refresh during 2016-17. Tenders have been received in respect of the two main secondary school builds and evaluation and benchmarking being undertaken before contracts can be agreed.
- 3.6.2 The other net underspend refers to sc106 resources which are presumed to return to sc106 pot for re-allocation should the outturn prove as forecast.
- 3.6.3 This leaves potentially £40,000 worth of net overspends to be afforded, and in being consistent with previous treatment it is recommended these be capital receipt funded at outturn if there are no additional underspends manifest at outturn.

3.6.4 Members have been considering a pressure to increase the disabled facilities budget that has remained pretty static over the years. It was hoped that underspends apparent at month 6 would be able to be directed to DFGs to mitigate the extent of forward commitments that potentially carry forward to 2016-17 (the service forecasts this to be circa £428,000). However service managers indicate no significant capital underspends likely at outturn from this month 9 activity, but this will require them to convert significant levels of uncommitted expenditure by the end of March 16 as mentioned in para 3.5.2 above. That hasn't been the reality in past years, and any increase in slippage reported at outturn not already identified in this report will be reviewed particularly closely.

3.6.5 During monitoring the addition of 2 section 106 schemes was requested by service managers. The expenditure associated with such would be complete by the end of 2015-16, therefore it is proposed to recommend their approval. The two schemes are,

- A capital budget of £40,000 to allow for the construction of a Puffin crossing in the vicinity of the development at Saw Mill house. The Puffin crossing was a requirement of the Section 106 agreement relating to the approval of planning permission at the site. The budget of £40,000 will be funded from S106 contributions from the development at Saw Mill house, Little Mill.
- A capital budget of £6,800 funded from Section 106 contributions received from the development at the Almshouses, St James' square Monmouth. The Section 106 agreement specifies the funding is to be used for 'Continuing implementation of the Monmouth Links Connect 2 walking and cycling network'. The expenditure proposed is consistent with that aim.

Capital Financing and Receipts

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

MCC CAPITAL FINANCING BUDGET MONITORING 2015-16 AT MONTH 9 BY FINANCING CATEGORY								
CAPITAL FINANCING SCHEME	Annual Forecast Financing	Slippage Brought Forward	Original Budget	Budget Revisions	Total Approved Financing Budget 2015/16	Provisional Budget Slippage to 2016/17	Revised Financing Budget 2015/16	Forecasted 2015/16 Capital Financing
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Supported Borrowing	2,420	0	2,420	0	2,420	0	2,420	0
General Capital Grant	1,462	0	1,462	0	1,462	0	1,462	0
Grants and Contributions	8,897	3,952	16,816	477	21,246	(12,349)	8,897	0
S106 Contributions	643	690	0	602	1,292	(647)	646	(3)

Unsupported borrowing	320	1,274	15,311	(5,411)	11,174	(10,854)	320	0
Earmarked reserve & Revenue Funding	837	409	489	350	1,248	(411)	837	0
Capital Receipts	9,015	4,414	11,134	7,032	22,581	(13,453)	9,128	(113)
Low cost home ownership receipts	189	33	0	156	189	0	189	0
Unfinanced	40	0	0	0	0		0	40
Capital Financing Total	23,825	10,773	47,633	3,206	61,613	(37,711)	23,901	(76)

3.8 Useable Capital Receipts Available

3.8.1 In the table 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 2015/19 MTFP capital budget proposals.

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Movement in Available Useable Capital Receipts Forecast

TOTAL RECEIPTS	2015/16	2016/17	2017/18	2018/19
	£'000	£'000	£'000	£'000
Balance b/f 1 st April	17,440	5,536	16,354	4,655
Receipts forecast to be received in year as 2015/19 MTFP	10,235	25,220	2,150	0
Increase / (decrease) in forecast receipts forecast at month 6	(6,877)	(149)	6,050	2,000
Deferred Capital Receipts	4	4	4	4
Less: Set aside Capital Receipts	(6,250)	(7,274)	(1,732)	0

Less: Receipts to be applied - General	(2,092)	(1,373)	(509)	(509)
Less : Receipts to be applied - 21C Schools	(6,923)	(5,908)	(17,662)	(3,962)
TOTAL Actual / Estimated balance c/f 31st March	5,536	16,354	4,655	2,188
TOTAL Estimated balance reported in 2015/19 MTFP Capital Budget proposals	11,660	21,104	11,542	10,388
Increase / (Decrease) compared to MTFP Capital Receipts Forecast	(6,124)	(4,751)	(6,888)	(8,200)

Points to note:

- The reduction in the capital receipts forecast in 15/16 is due to the delay in an LDP receipt & the Coed Glas receipt from 15/16 to 16/17 (£7.9m) offset by early collection of the Abergavenny cattle market receipt **deposit** (£1.6m). The increase in forecast receipts in 17/18 is due to slippage of a second LDP receipt from 16/17 to 17/18 (£6.2m).
- The decrease in the Capital receipts balance of £6.1m compared to the MTFP at 31/3/2016 is due to: the reduction in forecast receipts (£6.9m); an early application of capital receipts in respect of those being actively stockpiled for the 21C schools program (£6.2m) and corresponding decrease in borrowing - approved in the 1617 capital mtfp; and a set aside of capital receipts to reduce MRP payments (£6.2m) approved by Cabinet; offset by forecast slippage of capital receipt funded budgets (mainly 21C schools) to 1617 (£13.5m).
- The balance of receipts forecast to be available at the end of the mtfp window at 31/3/2019 (£2,2m) is reduced against the forecast in the 15/16 MTFP by £8.2m mainly due to the increase in total set aside of capital receipts from £10.5m to £15.2m and an increase in budgets funded by capital receipts, including virements from borrowing within the 21C schools program (£5.0m).

3.8.2 The Council has agreed to the inclusion of 21c schools initiative within the Capital Program and this relies on utilising £29.7 million of capital receipts during this next 4 year MTFP period. Consequently the balance of capital receipts available for other schemes during this MTFP window has considerably reduced.

3.9 Reserve Usage

3.9.1 Revenue and capital monitoring reflects an approved use of reserves. Building upon the inclusion of a reserve summary provided as part of 2014-15 the following table indicates the anticipated position both at the end of 2015-16 but also the predicted position for 2016-17 based on decisions already made.

SUMMARY EARMARKED RESERVES POSITION 2015-16 AT MONTH 9

Earmarked Reserves	2014-15	Revenue Approved Usage		Capital Usage	2015-16	Revenue Approved Usage		Capital Usage	2016-17
	b/fwd	Replenishment of Reserves	Draw on Reserves			Replenishment of Reserves	Draw on Reserves		c/fwd
Invest to Redesign	(1,483,522)	(49,396)	519,138	261,278	(752,502)	(72,508)	465,067	150,000	(209,943)
IT Transformation	(639,840)		53,200	97,341	(489,299)		20,000	250,000	(219,299)
Insurance & Risk Management	(2,250,388)				(2,250,388)				(2,250,388)
Capital Receipt Regeneration	(460,342)		100,369		(359,973)		132,988		(226,985)
Treasury Equalisation	(990,024)				(990,024)				(990,024)
Redundancy & Pensions	(599,936)		325,434		(274,502)		192,126		(82,376)
Capital Investment	(1,620,945)	(15,500)		489,541	(1,146,904)			489,541	(657,363)
Priority Investment	(1,973,294)		837,819		(1,135,475)		639,316		(496,159)
Museums Acquisitions	(59,798)				(59,798)				(59,798)
Exhibitions	(83,183)	(25,000)			(108,183)	(25,000)	100,000		(33,183)
Grass Routes Buses	(160,615)		25,913		(134,702)	(5,000)			(139,702)
Sub Total	(10,321,888)	(89,896)	1,861,872	848,160	(7,702,750)	(102,508)	1,549,497	889,541	(5,365,220)
Restricted Use Reserves									
Chairman's	(36,754)				(36,754)				(36,754)
Youth Offending Team	(382,226)				(382,226)				(382,226)
Building Control Trading	(490)				(490)				(490)
Outdoor Education Centres	(190,280)				(190,280)				(190,280)
I Learn Wales	(48,674)				(48,674)				(48,674)
Total Earmarked Reserves	(10,980,311)	(89,896)	1,861,872	848,160	(8,360,174)	(102,508)	1,549,497	889,541	(6,023,644)

3.9.2 This indicates that by the end of 2016-17 the Council is likely to utilise over 45% of the useable earmarked reserves brought forward from 2014-15, based on approvals to use reserves so far. No assumption has been made concerning the reserve funding of redundancy costs identified in para 3.1.10 above as yet.

3.9.3 Given the forecast use of earmarked reserves, Cabinet approved the following change in practice to ensure adequacy of reserves for the MTFP:

- Increase workforce planning and redeployment to reduce the need for reserves to cover redundancies
- Any request for reserve funding must first explore whether existing budgets, or external funding sources can be used for the proposal accepting this may require a change in priorities if existing budget are used
- Use of reserves to implement budget savings must use the saving first to repay the reserve
- IT investment bids will need to be considered in the core capital programme when the IT investment reserve is extinguished, this may necessitate displacing some of the core capital programme allocations depending on the priorities agreed

3.9.4 A revaluation of the insurance reserve requirement has been commissioned and the work is being undertaken so that the figures will be current and available for 2015/16 closure. This may give scope to re-designate some of this reserve but this is subject to the outcome of the work outlined.

3.9.5 If action is not taken to slow down the use of ear marked reserves through the above mechanisms, consideration would need to be given to budgeting to replenish reserves or including in the base budget, requests that would normally have been funded by reserves, both of which will increase the resource gap in the MTFP.

4 REASONS

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

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RESOURCE IMPLICATIONS

5.1 The forecast overspend and use of earmarked reserves, requires action to be taken to ensure that the budget is kept on track and earmarked reserves are maintained at an adequate level for the MTFP.

6 WELL BEING OF FUTURE GENERATIONS IMPLICATIONS

6.1 The decisions highlighted in this report have no future generations and sustainability implications.

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 9 monitoring reports, as per the hyperlinks provided in the Appendices

9 AUTHOR

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Appendices (attached below)

Appendix 1 Mandated Savings Progress Report

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 2C to 5C \(click link to reports page on Hub\)](#)

[Appendix 2C M9 Capital Monitoring Strong Communities Select 2015-16](#)

[Appendix 3C M9 Capital Monitoring Economic & Development Select 2015-16](#)

[Appendix 4C M9 Capital Monitoring Adult Social Care & Health Select 2015-16](#)

[Appendix 5C M9 Capital Monitoring Children & Young People Select 2015-16](#)

[Appendix 6 to 14 \(click link to reports page on Hub\)](#)

[Appendix 6 M9 Social Care & Health Revenue Budget Monitoring 2015-16](#)

[Appendix 7 M9 Children & Young People Revenue Budget Monitoring 2015-16](#)

[Appendix 8 M9 Enterprise Revenue Budget Monitoring 2015-16](#)

[Appendix 9 M9 Operations Revenue Budget Monitoring 2015-16](#)

[Appendix 10 M9 Chief Executive Office Revenue Budget Monitoring 2015-16](#)

[Appendix 11 M9 Corporate Revenue Budget Monitoring 2015-16](#)

[Appendix 12 M9 Appropriations Revenue Budget Monitoring 2015-16](#)

[Appendix 13 M9 Financing Revenue Budget Monitoring 2015-16](#)

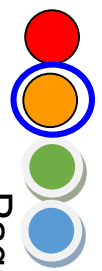
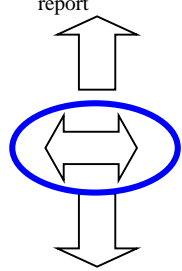
[Appendix 14 M9 School Movement on Reserves 2015-16](#)

[Appendix SM M9 Savings Mandates 2015-16](#)

Budget Mandates

Progress and Next Steps at Month 9 –

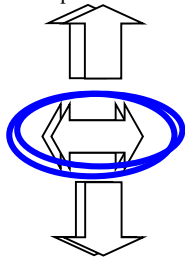
(including Recovery Plan actions agreed by Cabinet 2nd December 2015)

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
Mandate 1 Leisure. Current status  Trend since last report 	<p>Leisure centre staffing remodelled £115k, admin and clerical review £66k, support services review £20k, reduction caretaking Abergavenny £15k, outdoor education reduction £25k, leisure supplies and service £25k, increased income through fitness and sport offer £155k.</p> <p>Restructure process complete. All departments have individual service plans. All plans tracked and monitored by the individual service area. Full ownership of delivery by individual teams. 15k Caretaker savings will not be achieved as the school failed to invoice until 15-16. Consequently the full years charge in this year.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £35K achievable Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K. Increase income against swimming and fitness not achieved. This has resulted in a £5K improvement since month 6.</p>	<p>Continue to review the 3 G pitch project and review its income generation targets.</p>	Income	155,000	135,000	15,000	Ian Sanders
			Savings	265,983	250,983	15,000	
			Total	420,983	385,983	30,000	
			Total	,420,983	385,983	30,000	
		<p>Alternative Delivery Plan based on variance reported against original mandate at Month 6</p>					

**Mandate 2
Mandate 42
Youth Service**

Current status

Trend since last report



Replace Commercialisation of the core line services.
 The Youth Service is exploring new ways of working with the YBC.
 Expansion of smaller housing scheme & S&B reduction.
 Management restructure.
 Detailed plans in place for all projects to ensure they remain on track.
 The long term average ECF funding is to be reversed up to a period of 3 years and is definitely a pressure and if maintained over so much 70ks will be the growth target of 800 clients.
 Projections indicate the service will generate the needed income to support the people's programme to assist with Post 16 support for 1 year
 Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Meetings with valuers set into place and bespoke forecasting and campaigns required developed with YBC.
 Team of staff and training of income of the courses to be substituted link with key dates.
 For a series of 12 courses for 21k Sept Social 2015
 teams to raise awareness of the service S&B for a rise in profitability.
 Continue to work with YBC to develop project solutions.
 Project in July 2015
 evaluation valuation work undertaken during Oct to Nov in order to be available for any benefits to be implemented for March/April
 Set income targets once steady business flow is established.
 Shop to be operational by September 2015
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations.
 Meeting with staffing team to look at where time can be found in order to free staff up cuts have rendered new projects unviable until further review.
 Review on going expenditure on repairs and maintenance.

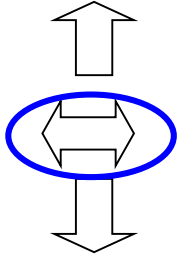
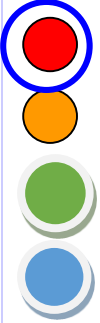
Income	25,000	25,000	0	Ian Bakewell
Savings	30,000	30,000	0	
Income	200,000	63,000	137,000	Tracey Thomas
Total	55,000	55,000	0	
Savings	0	0	0	
Total	200,000	63,000	137,000	

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**Mandate 5 *
Sustainable Energy Initiatives**

Current status

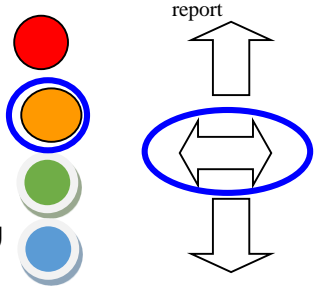
Trend since last report



2015/16 & 2015/16 - Abergavenny is near opening
 Investing in biomass boilers, solar farms and reductions in Carbon Commitment.
 Audit and accounts have been set up Marketing ready targets not achieved.
 Solar Farm Catnip project approved 15 July 2015
 Courses ready to advertise
 Staffing New Refurb solar projects have generated additional revenue in line with our projections
 Wellbeing of our employees
 Government policy changes to the Staff who have expertise in this area are finding installations unlikely as well as impact of tariff changes on a Solar Farm in priority.
 Biomass installed at Cross Ash operational and generating heat.

Set income targets once steady business flow is established.
 Shop to be operational by September 2015
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations.
 Meeting with staffing team to look at where time can be found in order to free staff up cuts have rendered new projects unviable until further review.
 Review on going expenditure on repairs and maintenance.

Income	0	0	0	Ben Winstanley
Savings	33,000	0	33,000	
Total	33,000	0	33,000	

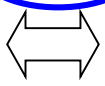
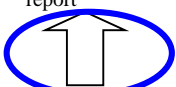
	<p>£63,000 the savings have been met, but the Alternative Delivery Plan (agreed by cabinet 6th Dec) - £33K achievable Aim to increase income target on rental portfolio and reduce expenditure on repairs and maintenance. At month 9 these savings have not been realised and therefore the £33,000 budget pressure remains. Alternative Delivery Plan (agreed by cabinet 2nd Dec) - 60k achievable Combination of increase in Grant income and savings on staff vacancies.</p>	<p>Alternative Delivery Plan – based on variance reported against original mandate at month 6.</p> <p>Amendment to delivery plan.</p>	<p>Total</p> <p>Total</p>	<p>33,000</p> <p>200,000</p>	<p>0</p> <p>63,000</p>	<p>33,000</p> <p>137,000</p>	
<p>Mandate 6</p> <p>Museums & Castles</p>	<p>Grant income delayed to new financial year Fully integrate cultural services, tourism services and attractions within tourism, leisure and culture section. Maximise synergies & achieve a sustainable long term business footing.</p>	<p>Museums - 30,000 of savings will not be achieved. Green Screen income of 10,000 and 20,000 conservation income.</p>	<p>Income</p> <p>Savings</p>	<p>81,000</p> <p>109,000</p>	<p>51,000</p> <p>94,000</p>	<p>30,000</p> <p>15,000</p>	<p>Ian Saunders</p>
<p>Current status</p> <p>Trend since last report</p> 	<p>Income generation target for 15/16 10K shortfall. Weddings – Amber Countryside savings – Green Savings from Volunteers – Red Income made by fundraiser – Green. Fundraiser in place. Income from learning – Green. Savings from shared service model at Chepstow TIC – Red, Income from green screen – Red Income from rental of Abergavenny Red Square window - Green TIC at Chepstow has had considerable lone working pressure which is why the budget is overspent.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £30k achievable Winter closure of Chepstow TIC and application of museums acquisition reserve for purchases made in year.</p>	<p>The Green Screens have yet to be utilised. The conservation income in the mandate was higher than agreed the total income from conservation was initially agreed as 30,000 not 50,000, the museums are looking at other ways to raise this income but the additional 20,000 will not be achieved this year. Castle - Achieving in year savings of 9k but reporting total overspend of 100k due to historic budget assumptions and savings from 14-15 of 20,000. Tourism - 15,000 savings not achievable. The use of volunteers is not available at the moment.</p> <p>Alternative Delivery Plan</p>	<p>Total</p> <p>Total</p>	<p>190,000</p> <p>190,000</p>	<p>145,000</p> <p>145,000</p>	<p>45,000</p> <p>45,000</p>	

Mandate 14

Home to School Transport

Current status

Trend since last report



The current staffing budget runs until the end of October 2015, the TIC has been closed for December and planned for January. Income amounting to £5k has been secured from the Town Council. Following legal advice the acquisition reserve can only be used to fund the purchase of artefacts and not to off-set operational expenditure.

At month 9 these savings have not been realised and therefore the £30,000 budget pressure remains.

Continuation of 2014-15 mandate. Fundamental policy review to nearest school, and more zealous application of free school travel criteria.

Post 16 travel grant removed. - Green Removal of the non-statutory element of travel grants to post 16 students by July – Green

Increase in post 16 charging – achieved increase in costs in 14/15 and will sustain however the 29k target for 15/16 will not be delivered as already realised.

Transport Policy on hold.

There is currently no progress on change of policy on statutory distances and pick up points due to members exploring other options.

Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £30k achievable A reduction in the fuel budget to reflect reduced diesel prices.

Consultation on the transport policy is currently on hold and consequently the current budget was insufficient to operate the current ‘home to school transport policy’.

A pressure mandate has been submitted to address current underfunded budget for 16/17.

Alternative Delivery Plan revised budget –based on variance reported mandate at month 6.

Income	0	0	0
Savings	101,000	72,000	29,000
Total	101,000	72,000	29,000

Revised Total* (101k + 1k)	102,000	102,000	0
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Roger Hoggins/
Richard Cope

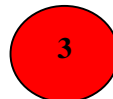
Summary Month 10

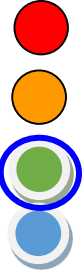
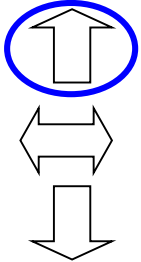
Summary – Month 2

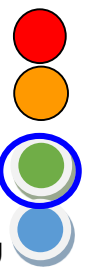
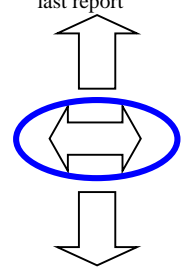
Summary – Month 6

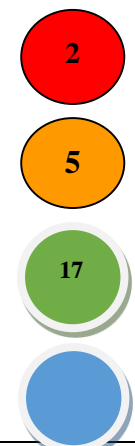
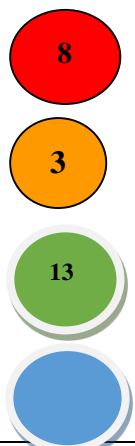
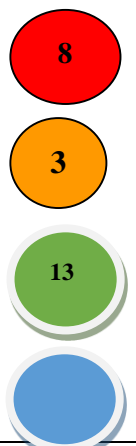
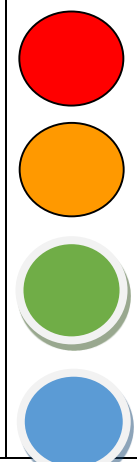
Summary - Month 9

Key



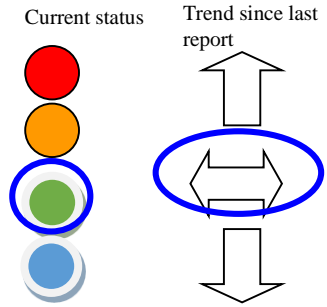
	The savings are on target to be realised in line with the alternative delivery plan as at month 9.					
<p>Mandate 15 *</p> <p>Facilities - transfer functions to other providers</p> <p>Current status </p> <p>Trend sin </p>	<p>2014/15 mandate*</p> <p>Building Cleaning / Community Services Engaging with town and community councils, 'friends of' and clubs to take on service related costs. Considerable work has already been undertaken e.g Linda Vista, Bailey Park, public conveniences. 15/16 Activities during 2015/16 have been challenging. We will not achieve full year savings on this for 2015/16. PC Cleaning - Overspend mainly due to delayed implementation of the mandate saving - transferring public conveniences to town councils".</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £90k achievable A reduction in grounds and highways, fuel and manpower budget (45k/45k split respectively)</p>	<p>Mandate B21 has been included in the budget proposals for the financial year 2016/17.</p> <p>Engagement with the community and town councils commenced on October 2015 and further consultation is scheduled.</p> <p>Will remain red with the limited savings until end of the year.</p> <p>Alternative Delivery Plan – based on variance reported against original mandate at month 6.</p>	<p>Income 100,000</p> <p>Savings 0</p> <p>Total 100,000</p>	<p>10,000</p> <p>0</p> <p>10,000</p>	<p>90,000</p> <p>0</p> <p>90,000</p>	<p>Roger Hoggins</p>
			<p>Total 100,000</p>	<p>100,000</p>	<p>0</p>	

	<p>The alternative delivery plan is forecast to achieve the mandate budget shortfalls at month 9 within the service.</p>						
<p>Mandate 16</p> <p>schools delegated budgets</p> <p>Current status</p>  <p>Trend since last report</p> 	<p>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

<p>Current status</p> 	<p>Current status</p> 	<p>Current status</p> 		 <p>Not on target Concerns identified with delivery of target. Continue to closely review & monitor.</p> <p>Monitoring & required to keep on track</p> <p>On target to achieve budget and action Plans.</p> <p>On target and over achieve.</p>
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Mandate 18 *

School library service - combine with general library service



2014/15 mandate with 2015/16 savings*
Savings achieved – mandate delivered

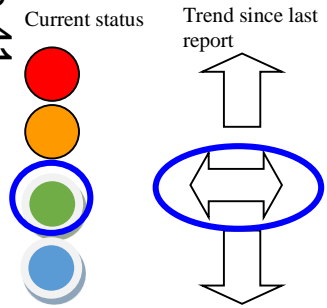
No next steps necessary

Income	0	0	0
Savings	20,000	20,000	0
Total	20,000	20,000	0

Sharon Randall - Smith

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**Mandate 20
Gwent Music**



Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-
Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.
Introduce an instrument charge.
Not fill the vacant post.
Music access fund agreed as of 19th June by cabinet.

Access fund launched from September 2015.

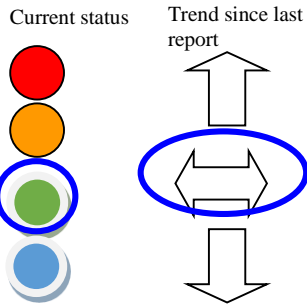
To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.

Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.
Gwent music continues to work with MCC to ensure the finding is used to support the need.

Income	0	0	0
Savings	50,000	50,000	0
Total	50,000	50,000	0

Nicky Wellington

Mandate 24 *
Transition - Bright
New Futures (
SC&H)



2014/15 mandate*

In 2014 we combined our Transitions Project Team within Bright New Futures Project. (based in Bridges)

This has established a shared service model.

No action necessary in relation to the mandate savings.

We continue to deliver savings with this partnership working.

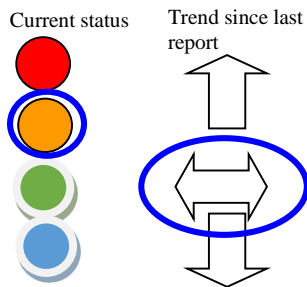
Plan to review near the end of the five year project.
 Review to include :-
 Budgets
 Service
 Resource / secondments.
 Etc...

Income	0	0	0
Savings	14,000	14,000	0
Total	14,000	14,000	0

Julie Boothroyd

Mandate 25
Fleet Rationalisation

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The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.

This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end.
 The restructure element due to protection of employment policy did not achieve 100% however shortfalls will be made from other savings within the service.

There are other operational opportunities currently being considered :-
 ICT 22 – the connected worker has made progress, this is at the trailing stage,
 ICT 13– the pool car booking system – this has not progressed due to no funding for the ICT project.

No next steps for fleet reduction as complete.


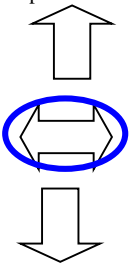

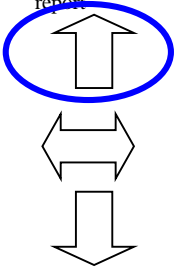
Continue to review the 2 ICT projects and report progress.

The shortfall in restructure savings are met within service area.

Income	0	0	0
Savings	62,000	62,000	0
Total	62,000	62,000	0

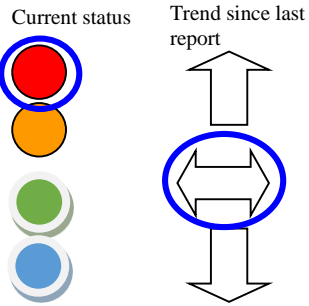
Debbie Jackson

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<p>Mandate 26</p> <p>Property rationalisation</p> <p>Current status </p> <p>Trend since last report </p>	<p>These savings are predicted on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance. The Accommodation Working Group is charged with reviewing all property usage with the aim of minimising the costs and releasing any property that can be made surplus.</p> <p>Rental of buildings – Green Rates Savings on vacant buildings - Green Rental Grant reductions – Dedicated member of staff now responsible for this.</p>	<p>The Accommodation Working Group continues to review all property usage and the delivery of the rationalisation plan. Permissions for any disposal will continue through the usual council process. Work alongside agile working policy owner to explore further opportunities for greater agile working. The overall Service area has achieved its target at month 9 and is tracking to Green for year end on its overall financials.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>20,000</p> <p>80,000</p> <p>100,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Ben Winstanley</p>
<p>Mandate 28</p> <p>Community Hubs</p> <p>Current status </p> <p>Trend since last report </p>	<p>It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.</p> <p>Increase staffing costs are due to the delayed implementation of the of the Community Hubs restructure. The mandate savings of £250k related to a full year saving and it was only possible to achieve 6 months of reduced costs as the community Hubs opened on the 5th October 2015." Delays were as a result of in internal processes. This outturn includes £125k of mitigating underspends including keeping a post vacant until April 2016 to help offsets the delayed mandate saving.</p>	<p>15/16 No next steps</p> <p>16/17 – (50K) The Abergavenny Hub Project plan requires continuous monitoring, updating and adjusting to reflect the project developments.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>250,000</p> <p>250,000</p>	<p>0</p> <p>125,000</p> <p>125,000</p>	<p>0</p> <p>125,000</p> <p>125,000</p>	<p>Deborah Hill-Howells</p>

Mandate 31

ICT Savings (SRS & custom built software solutions)



The mandate's aim was to :- Drive cost efficiencies and income generation opportunities within the Shared Resource Service (SRS). This will subsequently result in MCC benefiting from reduced budget without any significant impact to service. And generate ongoing savings and user benefit from custom built software solutions being generated, then productised and sold commercially.

SRS have made 138k of their proposed 150k saving - still 20k saving to be found on software contracts however further savings of 20k have been found from vacancies.

The 100k savings that were to be achieved through in-house software development and the sale of products will not occur in 2016/17. Work continues to generate commercial returns from the sale or licencing of FLO, the Authority's social care app, though the app will only be marketable from Q1 in 2016/17 based on the most recent updates.

Alternative Delivery Plan (agreed by cabinet 2nd Dec*) – £110k achievable Continue to do work that is required to support the sale/licencing and commercialisation of FLO.

Work continues at month 9. The service is currently reviewing all budget areas and update on savings achievable will be known at Month 11.

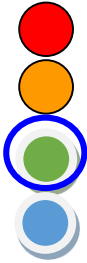
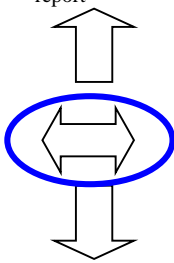

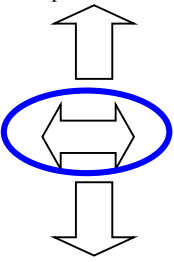
Restriction of non-essential spend across the People and Commercial Development division, together with a further review of ICT capital and revenue budgets, aims to identify scope to mitigate the existing £112k pressure.

Alternative Delivery Plan – based on variance reported against original mandate at month 6.

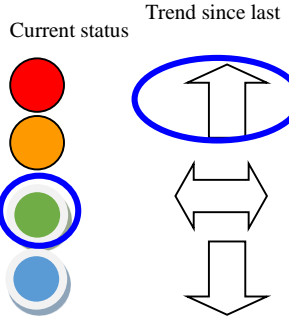
Income	0	0	0
Savings	250,000	138,000	112,000
Total	250,000	138,000	112,000
Total	250,000	138,000	112,000

Peter Davies

Mandate Summary		RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
1	Leisure				

<p>Mandate 33&34</p> <p>Adult Social Care</p> <p>Current status  Trend since last report </p>	<p>The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.</p> <p>The size of the saving is challenging however the service is working together as a whole team in order to continue to review its performance in order to meet the targets. Change in practice will need to continue at pace and be significant, this will continue to take time.</p> <p>All targets currently on track to deliver. Dementia care matters training roll out continues with vigour and there is full commitment that this training will support the changes in practice required.</p>	<p>Continue to review the structures and workforce to establish the resource, knowledge and skills moving forward.</p> <p>Service transformation will continue to evolve and approval sought as the programme develops.</p> <p>Continue to deliver and ongoing evaluation of the DCM training and other training that supports the workforce to change practice.</p> <p>Continue to capture and work with teams to further develop ideas and drive practice change.</p> <p>IT build continues further development (i.e reporting) and there remains positive feedback from users of FLO.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>260,000</p> <p>260,000</p>	<p>0</p> <p>260,000</p> <p>260,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Julie Boothroyd</p>
<p>Mandate 35</p> <p>Transformation of ALN</p> <p> Trend since last report </p>	<p>We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.</p> <p>Savings fully met for this year. Stages 1 and 2 are complete.</p> <p>The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).</p>	<p>All timescales of delivery of the mandate to stay in line with the 'complete review' timetable.</p> <p>All future stages of the ALN review will be monitored via the future mandates.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>120,000</p> <p>120,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Sharon Randall-Smith</p>

**Mandate 36 *
Route Optimisation**



Mandate from 2014/15

Due to the changing to routes the mandate related to the reduction in fleet and staff.

£86k of the £250K will not be achieved on this mandate. Leasing costs were built into the saving yet the vehicles to be removed from the fleet were owned and therefore no revenue savings from leasing could be delivered. In addition the project established that the £250 was too ambitious and we were unable to release the number of vehicles and staff as initially projected.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 86k achievable
Reduced fuel and labour budget to reflect reduced diesel prices and staff not joining the Local Government Pension Scheme.**
The alternative plan is on target to achieve revised savings at month 9.

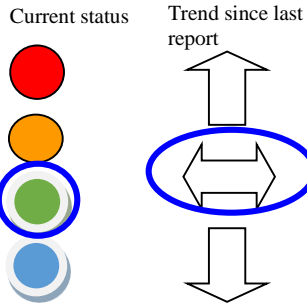
Review the on-going operation and budgets and re-align in line with service needs.
The pressure from this mandate has been mitigated by suppressed fuel process and savings in superann (pension) within the department and this is reflected in the month 6 and 9 financial monitoring reports. The route optimisation pressure will not be carried into 2016-17 as the pressure mandate rectifies this position.

Alternative Delivery Plan – based on variance reported against original mandate at month 6

Income	0	0	0
Savings	270,000	184,000	86,000
Total	270,000	184,000	86,000
Total	270,000	270,000	0

Rachel Jowitt

**Mandate 37a
Waste Services**



The mandate is about re-aligning the service in order to be as customer focused and efficient as possible. To reduce duplication of services which provide clarity on responsibility and service delivery. To remove duplication and harmonise working practices.

Vacancies have been deleted therefore savings have been achieved.

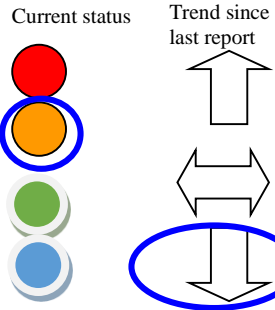
No relevant Next Steps

Income	0	0	0
Savings	50,000	50,000	0
Total	50,000	50,000	0

Rachel Jowitt

2	Housing				
5	Sustainable Energy Initiatives				

**Mandate 37b
Trade Waste**



Modernising Trade Waste Services
This has 2 elements:-
The introduction of trade waste recycling and realignment of 2 schedule changes.

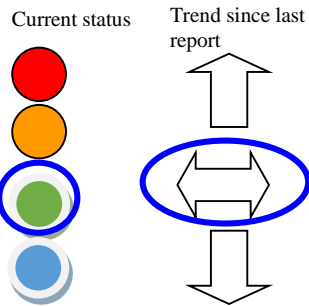
To date £10K has been generated through the sale of trade recycling bags yet it is anticipated that further income will be forthcoming as business replenish stock. At month 9 £15K has been forecasted as total income. .

Continue to review operational impact.

Income	40,000	25,000	15,000
Savings	10,000	0	10,000
Total	50,000	25,000	25,000

Rachel Jowitt

**Mandate 37c
Grey bag & nappy collection.**



This mandate relates to the removal of the free supply of grey refuse bags and the removal of the hygiene/ nappy collection.

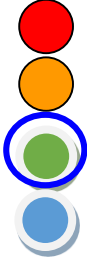
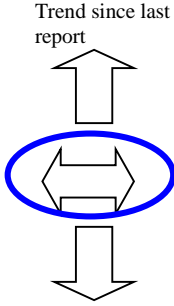

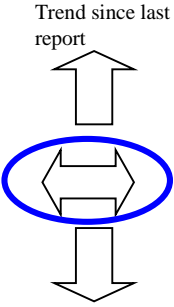
The mandate has been delivered the savings have been achieved.

Continue to review as still early stages. No other next steps relevant.

Income	0	0	0
Savings	180,000	180,000	0
Total	180,000	180,000	0

Rachel Jowitt

6	Museums & Castles				
14	Home to School Transport				
15	Facilities				
16	Schools Delegated budgets				
18	School Library Service				
20	Gwent Music				
24	Transition – Bright New Futures				
25	Fleet Rationalisation				
26	Property Rationalisation				
28	Community Hubs				
31	ICT savings				

<p>Mandate 40a Democracy</p> <p>Current status </p> <p>Trend since last report </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :- Management restructure – Green. Increased income generation – Green Removal of a vacant post – Green Reduction in mileage budget – Green All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income Savings Total</p>	<p>24,000 85,000 109,000</p>	<p>24,000 85,000 109,000</p>	<p>0 0 0</p>	<p>Tracy Harry</p>
<p>Mandate 41 Highways</p> <p>Current status </p> <p>Trend since last report </p>	<p>This mandate was made up of both savings and income generation :-</p> <p>Employee restructure – Green Material savings – Green Plant saving – Green. Re-negotiating with sub-contractors – Green Additional income from skips & scaffolding – green. Operational fuel, stores & procurement savings - Green. Commercial advertising – Red.</p>	<p>Savings - on target to be delivered. Income - Advertising scheme has been put on hold whilst a planning issue around advertising signs is resolved so it is assumed that the remaining will not be achieved this year.</p>	<p>Income Savings Total</p>	<p>55,000 395,000 450,000</p>	<p>5,000 395,000 425,000</p>	<p>50,000 0 50,000</p>	<p>Roger Hoggins</p>

33	Adult Social Care (&34)				
35	Transformation of ALN				
36	Route Optimisation				
37a	Waste Services				
37b	Trade Waste				
37c	Grey Bag & Nappy Collection				
40a	Democracy				
41	Highways				
41a	Abergavenny Markets				
42	Youth Service				

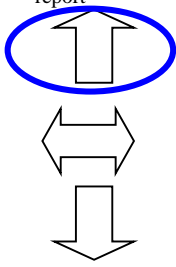
Mandate 41a

Abergavenny Markets

Current status



Trend since last report



The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.

The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges. New Structure in place for January 2016.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 50k achievable
Cease all repair and maintenance work to asset portfolio.**

The service is forecasting achieving 37k against the alternative delivery plan.

To build an income generation plan for future years.

Alternative Delivery Plan – based on variance reported on original mandate at month 6.

Income	70,000	0	70,000	Ben Winstanley
Savings	0	0	0	
Total	70,000	0	70,000	
Total	70,000	37,000	33,000	

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Strong Communities Select Committee Portfolio Position Statement Month 9 (2015/16)

Head of Operations Commentary

Obviously as the report moves into the second half of the financial year we become increasingly confident in the forecasting. The forecast at the 3rd quarter indicates the Operations department overall moving to a small underspend of £10,000. The recovery plan included various actions of which major items such as SWTRA and external trading (grounds/landscaping) are improving and the generic benefit of lower fuel prices is now making a material difference to the out turn. Waste modelling is now benefiting from clarity on recycling costs (post tender) and again fuel savings are contributing. The PTU position has also improved as the outcome of tendering in September is reflected in the out turn rather than the estimates used previously. County Highways is on budget and with the exception of gales and flooding over Christmas and new year the winter weather has been quite mild. However we will respond to bad weather and floods so the potential for extra spending remains. Overall officers are increasingly confident that Operations will return a balanced budget in 2016/17

1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Strong Communities Service Area	Budget @ Month 6	Budget Revision Virements	Budget @ Month 9	Forecast Outturn	Variance @ Month 9	Variance @ Month 6	Variance @ Month 2	Forecast Movement Months 6 to 9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Chief Executive's	6,856	146	7,002	6,810	(192)	(31)	(120)	(160)
Operations	16,384	(76)	16,308	16,148	(160)	339	634	(499)
Corporate	18,251	(36)	18,215	18,115	(100)	(61)	63	(39)
Appropriation	8,260	(1,108)	7,152	7,352	200	(328)	(248)	618
Financing	(148,376)	0	(148,376)	(149,298)	(922)	(752)	(593)	(170)
Total Strong Communities Select	(98,625)	(1,074)	(99,699)	(100,873)	(1,174)	(833)	(264)	(251)

1.2 The most significant over and under spends are

Strong Communities Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive)/ Negative £000's	Commentary on forecasted outturn
CEO				
Benefits		67	37	The underspend is a combination of a £37,000 saving against the HB budget plus a £30,000 in year saving for administration costs
Council Tax	48		12	Shortfall in income from court fees and potential redundancy costs
Systems and Exchequer		24	10	Staff vacancies of 50k offset by increase in annual card fees of 15k
Audit		10	10	Savings from vacancies
Democracy and Regulatory Services		84	82	Savings from vacancies and from spending restrictions to assist with the recovery plan
Policy & Partnerships		55	29	19k of the underspend relates to reserve funding for a Communications post as the appointment was delayed and additional one off grants from LSB and Home Office offset by unbudgeted additional staff

OPERATIONS				
Service	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive)/ Negative £000's	Commentary on forecasted outturn
Operations – Highways		310	295	Restrictions placed on essential spend to meet the target set by the departmental recovery plan, additional income from SWTRA for non-scheduled works and increased income from fixed penalty notices on street works
Operations – Fleet Transport		19	14	Additional car parking income through increased usage
Operations – Passenger Transport Unit	187		106	Assumed ALN transport savings have proven unachievable (335k) budgeted increased income levels were not made whilst at the same time corporate budget decisions regarding reductions in overtime costs were imposed. A mandate has been put forward to highlight the fact that the service cannot operate within its existing budget and has requested further funding via the MTFP in 2016-17. Offsetting savings have been achieved through holding vacancies, reduction in transportation costs and season tickets.
Operations – Building Cleaning	27		7	Delayed implementation of mandate saving of transferring public conveniences to Town Councils.
Operations – School Catering	42		7	Increased costs to comply with Healthy Eating in Schools Agenda and a reduction in budgeted meals

Operations – Property Services	101		6	A reduction in fee income generated from capital projects. The change from month 6 relates to increase in fees that are chargeable to the 21 st Century schools programme offset by a reduction in third party expenditure on procurement
Operations – Accommodation costs		159	9	Maintenance costs for Magor and Usk are underspent mainly due to reduced costs as buildings are relatively new.
Operations – Waste and street scene		29	95	46k over spend in Raglan Training Centre, where there has been a fall in demand, Grounds maintenance is forecasting a 75k under spend because income expectations, as listed in the recovery plan have now materialised. Waste is forecasting a balanced budget, but the pressures on Waste are still real as they have been mitigated by a reduction in fuel costs and a reduction in superannuation costs as about 20 staff have opted out of the Council provided pension (96k).

Corporate Services	Overspend Predicted	Underspend Predicted	Forecast Movement Mth's 6 to 9 (Positive) / Negative	Commentary on forecasted outturn
	£000's	£000's	£000's	
CORPORATE				
Audit Commission Fees (Certification Grant Claims)		(36)		Forecasted saving in relation to the auditing of grant claims
HMRC Reimbursements		(29)		MCC Vat rebates exercise

Early Retirement Pension Costs	161			Additional cost of redundancies notified in latter part of 2014/15 & during 2015/16
Indirect revenue Gains		(97)		Rate rebates on MCC properties
Insurance Settlement Expenditure		(65)		Insurance settlement claims predicted to be lower due to reduced claims activity
Insurance Premium Payment(Direct)		(67)		Based on reduction in premium costs as a result of the tender completed in September 2015.
APPROPRIATIONS				
Attributable Costs - Fixed Asset Disposal		(82)		12 Schemes delayed mainly due to a rethink of disposal strategy to optimise receipts
Interest Payable and Similar Charges		(387)		saving against budget due to long term debt not being taken out and temporary borrowing being at a lower rate than budgeted
Charges Required Under Regulation		(241)		A planned set aside of £6m of capital receipts in 2016/17 will be brought forward a year from 16/17 as there is a balance of receipts available to do this and this will achieve a saving on MRP payments due.
Interest and Investment Income		(49)		Increased cash income due to increased cash balances - in turn due to temporary borrowing taken out when rates were advantageous to prevent concentrated borrowing at difficult times.
Net Contribution from Reserves	906			£911k of budgeted spend expected to be slipped to 1617; compensated by small reimbursement
FINANCING				
Council Tax		(750)		Surplus due to projected actual CT Collection rate of 99.3% over budgeted 98% and increased CT recovery

Benefit Support		(170)		Forecast extrapolated from CT Benefits system based upon benefits awarded to date. Caseloads continue to reduce, a trend that is expected to continue through to year end
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1.2 Please see Appendix 9,10,11,12 and 13 for further analysis of the directorate expenditure at month 9.

2. 2015-16 Savings Progress

2.1 The savings required by the 2015-16 budget mandates have not yet been fully secured.

Operations Budgeted savings were £1,513,000 and at month 9, £1,438,000 have been identified. Of the remaining savings, £50,000 are delayed until the 2016/17 financial year and currently £25,000 are deemed to be unachievable.

Chief Executives budgeted savings were £85,000. These have all been achieved.

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	STRONG COMMUNITIES					
14	Home to School Policy Changes	101,000	101,000	0	0	(29,000)
15	Facilities - Transfer functions to other providers	100,000	100,000	0	0	(90,000)
25	Transport Review and Rationalisation	62,000	62,000	0	0	0

36	Cost Neutral Waste Service	270,000	270,000	0	0	(86,000)
37	Project Gwyrdd	250,000	250,000	0	0	0
37a	Waste Mgt - Efficiency & Realignment	50,000	50,000	0	0	0
37b	Waste Mgt - Modernising Trade Waste Services	50,000	25,000	0	25,000	0
37c	Waste Mgt - Collection changes, Grey bags and nappies	180,000	180,000	0	0	0
41	Highways	450,000	425,000	50,000	0	0
	Total Operations	1,513,000	1,438,000	50,000	25,000	205,000
	CHIEF EXECUTIVES'					
40a	Democracy & Regulation	85,000	85,000	0	0	0
	Total CEO	85,000	85,000	0	0	0

2.1.1 Please see Savings Mandate Appendix SM for further details on savings

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
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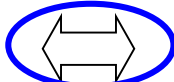
Mandate 14

Home to School Transport

Current status



Trend since last report



Continuation of 2014-15 mandate. Fundamental policy review to nearest school, and more zealous application of free school travel criteria.

Post 16 travel grant removed. - Green
Removal of the non-statutory element of travel grants to post 16 students by July – Green

Increase in post 16 charging – achieved increase in costs in 14/15 and will sustain however the 29k target for 15/16 will not be delivered as already realised.

Transport Policy on hold.

There is currently no progress on change of policy on statutory distances and pick up points due to members exploring other options.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £30k achievable
A reduction in the fuel budget to reflect reduced diesel prices.**

The savings are on target to been realised in line with the alternative delivery plan as at month 9.

Consultation on the transport policy is currently on hold and consequently the current budget was insufficient to operate the current 'home to school transport policy'.

A pressure mandate has been submitted to address current underfunded budget for 16/17.

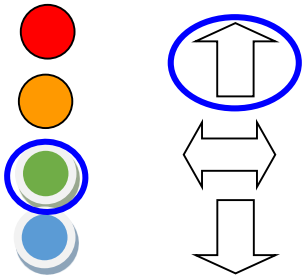
Alternative Delivery Plan revised budget – based on variance reported mandate at month 6.

Income	0	0	0	Roger Hoggins/ Richard Cope
Savings	101,000	72,000	29,000	
Total	101,000	72,000	29,000	
Revised Total* (101k + 1k)	102,000	102,000	0	

Mandate 15 *

Facilities - transfer functions to other providers

Current status



2014/15 mandate*

Building Cleaning / Community Services
Engaging with town and community councils, 'friends of' and clubs to take on service related costs. Considerable work has already been undertaken e.g Linda Vista, Bailey Park, public conveniences.

15/16

Activities during 2015/16 have been challenging. We will not achieve full year savings on this for 2015/16. PC Cleaning - Overspend mainly due to delayed implementation of the mandate saving - transferring public conveniences to town councils".

Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £90k achievable
A reduction in grounds and highways, fuel and manpower budget (45k/45k split respectively)

The alternative delivery plan is forecast to achieve the mandate budget shortfalls at month 9 within the service.

Mandate B21 has been included in the budget proposals for the financial year 2016/17.

Engagement with the community and town councils commenced on October 2015 and further consultation is scheduled.

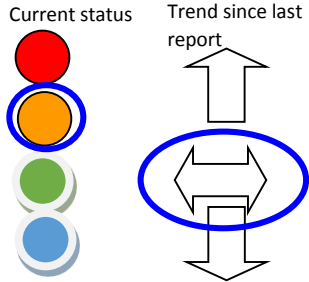
Will remain red with the limited savings until end of the year.

Alternative Delivery Plan –based on variance reported against original mandate at month 6.

Income	100,000	10,000	90,000	Roger Hoggins
Savings	0	0	0	
Total	100,000	10,000	90,000	
Total	100,000	100,000	0	

Mandate 25

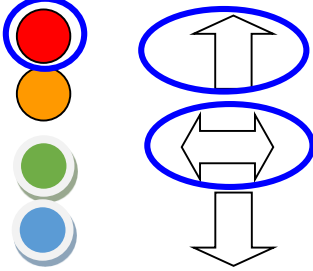
Fleet Rationalisation



<p>The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.</p> <p>This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end. The restructure element due to protection of employment policy did not achieve 100% however shortfalls will be made from other savings within the service.</p> <p>There are other operational opportunities currently being considered :- ICT 22 – the connected worker has made progress, this is at the trailing stage, ICT 13– the pool car booking system – this has not progressed due to no funding for the ICT project.</p>	<p>No next steps for fleet reduction as complete.</p> <p>Continue to review the 2 ICT projects and report progress.</p> <p>The shortfall in restructure savings are met within service area.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>62,000</p> <p>62,000</p>	<p>0</p> <p>62,000</p> <p>62,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Debbie Jackson</p>
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Mandate 36 *
Route Optimisation

Current status Trend since last



Mandate from 2014/15

Due to the changing to routes the mandate related to the reduction in fleet and staff.

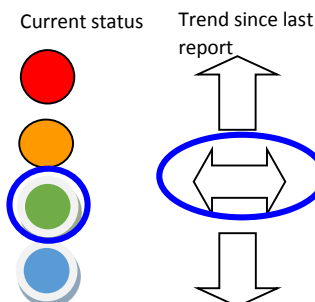
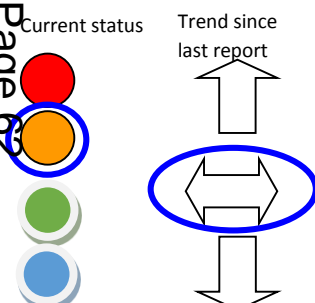
£86k of the £250K will not be achieved on this mandate. Leasing costs were built into the saving yet the vehicles to be removed from the fleet were owned and therefore no revenue savings from leasing could be delivered. In addition the project established that the £250 was too ambitious and we were unable to release the number of vehicles and staff as initially projected.

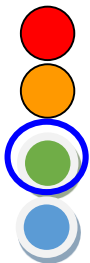
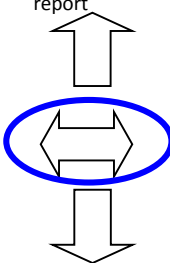
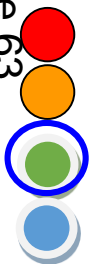
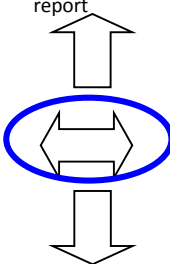
Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 86k achievable
Reduced fuel and labour budget to reflect reduced diesel prices and staff not joining the Local Government Pension Scheme. The alternative plan is on target to achieve revised savings at month 9.

Review the on-going operation and budgets and re-align in line with service needs. The pressure from this mandate has been mitigated by suppressed fuel process and savings in superann (pension) within the department and this is reflected in the month 6 and 9 financial monitoring reports. The route optimisation pressure will not be carried into 2016-17 as the pressure mandate rectifies this position.

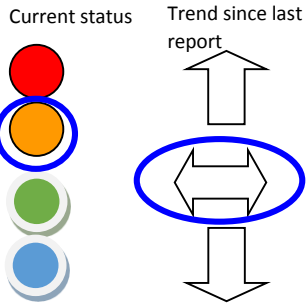
Alternative Delivery Plan –based on variance reported against original mandate at month 6

Income	0	0	0	Rachel Jowitt
Savings	270,000	184,000	86,000	
Total	270,000	184,000	86,000	
Total	270,000	270,000	0	

<p>Mandate 37a Waste Services</p> <p>Current status Trend since last report</p> 	<p>The mandate is about re-aligning the service in order to be as customer focused and efficient as possible. To reduce duplication of services which provide clarity on responsibility and service delivery. To remove duplication and harmonise working practices.</p> <p>Vacancies have been deleted therefore savings have been achieved.</p>	<p>No relevant Next Steps</p>		<p>Income 0</p> <p>Savings 50,000</p> <p>Total 50,000</p>	<p>0</p> <p>50,000</p> <p>50,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>
<p>Mandate 37b Trade Waste</p> <p>Current status Trend since last report</p> 	<p>Modernising Trade Waste Services This has 2 elements:- The introduction of trade waste recycling and realignment of 2 schedule changes.</p> <p>To date £10K has been generated through the sale of trade recycling bags yet it is anticipated that further income will be forthcoming as business replenish stock. At month 9 £15K has been forecasted as total income. The £25K has been mitigated through fuel and superann contributions.</p>	<p>Continue to review operational impact.</p>	<p>Income 40,000</p> <p>Savings 10,000</p> <p>Total 50,000</p>	<p>15,000</p> <p>10,000</p> <p>25,000</p>	<p>25,000</p> <p>0</p> <p>25,000</p>		<p>Rachel Jowitt</p>

<p>Mandate 37c Grey bag & nappy collection.</p> <p>Current status  Trend since last report </p>	<p>This mandate relates to the removal of the free supply of grey refuse bags and the removal of the hygiene/ nappy collection.</p> <p>The mandate has been delivered the savings have been achieved.</p>	<p>Continue to review as still early stages. No other next steps relevant.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>180,000</p> <p>180,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Rachel Jowitt</p>
<p>Mandate 40a Democracy</p> <p>Current status  Trend since last report </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :- Management restructure – Green. Increased income generation – Green Removal of a vacant post – Green Reduction in mileage budget – Green All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Tracy Harry</p>

**Mandate 41
Highways**



This mandate was made up of both savings and income generation :-

- Employee restructure – Green
- Material savings – Green
- Plant saving – Green.
- Re-negotiating with sub-contractors – Green
- Additional income from skips & scaffolding – green.
- Operational fuel, stores & procurement savings - Green.
- Commercial advertising – Red.

Savings - on target to be delivered.

Income - Advertising scheme has been put on hold whilst a planning issue around advertising signs is resolved so it is assumed that the remaining will not be achieved this year.

Income	55,000	5,000	50,000	Roger Hoggins
Savings	395,000	395,000	0	
Total	450,000	425,000	50,000	

Summary - Month 10 Current status	Summary - Month 2	Summary - Month 6	Summary - Month 9	Traffic Light Key
1 (Red)	3 (Red)	2 (Red)	0 (Red)	Not on target Concerns identified with delivery of target. Closely review & monitor.
3 (Yellow)	2 (Yellow)	2 (Yellow)	3 (Yellow)	Monitoring & required to keep on track
5 (Green)	4 (Green)	5 (Green)	6 (Green)	On target to achieve budget and action Plans.
Blue	Blue	Blue	Blue	On target and over achieve.

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Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
14 Home to School Transport	Red	Red	Green	Green
15 Facilities	Yellow	Red	Red	Green
25 Fleet Rationalisation	Yellow	Yellow	Yellow	Yellow
36 Route Optimisation	Green	Red	Red	Green
37a Waste Services	Yellow	Green	Green	Green
37b Trade Waste	Green	Yellow	Green	Yellow
37c Grey Bag & Nappy Collection	Green	Green	Green	Green
40a Democracy	Green	Green	Green	Green
41 Highways	Green	Green	Yellow	Yellow

3. Capital Outturn Forecast

The capital budget of £4,485,758 had been increased by slippage from 2014/15 of £2,939,759 to a new total of £7,425,517. The budget is separated under the following headings

Strong Communities	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	688	365	38	275	678	0	678	10	0
Infrastructure and Transport	3,174	2,112	671	460	3,242	(68)	3,174	0	0
Regeneration Schemes	629	0	717	402	1,119	(486)	632	(4)	0
Sustainability Schemes	94	0	81	45	126	(29)	96	(3)	0
County Farms Schemes	226	201	152	0	352	(123)	230	(4)	0
Inclusion Schemes	1,354	850	348	156	1,354	0	1,354	(0)	0
ICT Schemes	142	0	153	0	153	(11)	142	0	0
Other Schemes	193	65	581	0	646	(457)	189	4	0
Maintenance Schemes – Property	1,030	893	200	(40)	1,053	(23)	1,030	0	0
Total Strong Communities	7,531	4,486	2,940	1,298	8,723	(1,197)	7,527	4	0

Further details of all the schemes are contained in the appendix 2C. A small net variance is indicated on the basis of present activity, caused primarily by the progression of Ifton Common sewerage works despite it being decommitted from the Capital Programme at the end of 2014-15. As is common with minor overspends they will be assessed against underspends apparent at end of year and any net cost borne in the first instance by capital receipts.

Appendix (links to Hub)

[Appendix2C M9 Capital Monitoring Strong Communities Select 2015-16.xlsx](#)

[M9 Chief Executive Office Revenue Budget Monitoring 2015-16 Appendix 10.xls](#)

[M9 Operations Revenue Budget Monitoring 2015-16 Appendix 9.xls](#)

[M9 Savings Mandates Appendix SM 2015-16.xls](#)

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**Economy & Development Select Committee
Portfolio Position Statement Month 9 (2015-16)**

APPENDIX 3

DIRECTOR'S COMMENTARY

The current position of an over spend of 22k is increased by reserve cover being delayed into the next financial year such as the LDP and reduced by the use of reserves to cover redundancies. This results in a net overspending of 217k.

This reflects continued pressures on income targets. In areas such as markets, leisure, museums and culture, we are generating more income than ever - but it is insufficient to meet annually uplifted targets. This reflects some of the issues we're experiencing whereby the current service formats, mean we have saturated the markets available to us and without considerable capital investment - it is not feasible to charge premium rates. This position which will not change as things currently stand, this is now part of the reason behind why we are having to explore alternative delivery vehicles which provide different freedoms and flexibilities & access to new investment.

Reflecting on the other huge changes in the section, Community Learning has undergone a large-scale restructure following the franchise changes, Community Hubs are going live and Housing is undergoing further transformation with the introduction of significant legislation and Planning changes are also in the melting pot.

Despite this - many areas are showing signs of strength and potential. The job of work continues to mitigate these pressures through holding vacant posts open, freezing non-essential spend, closing winter season TIC and continuing work to optimise income potential in the few areas where we believe some potential still exists.

1.1 The combined budget and outturn forecast for this portfolio is

E&D Service Area	Budget @ Month 6	Budget Revision Virements	Budget @ Month 9	Forecast Outturn	Variance @ Month 9	Variance @ Month 6	Variance @ Month 2	Forecast Movement Months 6 to 9
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Community led Delivery	1,813	575	2,388	2,485	97	340	138	(243)
Commercial and People Development	3,674	358	4,032	3,914	(117)	127	100	(244)
Enterprise Management	397	0	397	402	5	10	0	(5)
Development Planning	911	0	911	761	(150)	(150)	0	0
Tourism, life and Culture	2,504	(92)	2,412	2,600	187	274	100	(87)
ENT Select	9,299	841	10,140	10,162	22	601	338	(579)

1.2 The most significant over and underspends are:

E&D Service Area	Overspend Predicted	Underspend Predicted	Forecast Movement Mth's 6 to 9 (Positive) / Negative	Commentary on forecasted outturn
	£000's	£000's	£000's	
Asset Management	96		(12)	Redundancy costs of 28k, inability to achieve income targets for PV schemes 98k, inability to meet increased income targets for Markets 140k offset by increased Cemeteries income 76k and savings on reduced maintenance, professional fees and vacancies of 94k
Community Education	178		88	Redundancy costs of 96k, additional costs to the delay in implementing the restructure of 82k
Community Hubs	386		71	Redundancy costs of 386k
Eisteddfod		430	(430)	Reserve funding not required until 2016/17 financial year
Housing		113	18	Savings from one off grant funding, a reduction in expenditure against B&B accommodation and through increasing occupancy levels
Whole Place		20	22	Redundancy costs of 31k offset by vacancies
BusinessGrowth & Enterprise		23	(23)	20k reserve funding for Broadband will not be used in 2015/16 and other minor savings
Innovation		154	(154)	130k reserve funding will not be called on in 15/16 and vacancy savings
People Services		24	(24)	23k reserve funding will not be called on in 15/16
ICT Technology	84		(43)	49k reserve funding will not be called on in 15/16 offset by Inability to achieve 100k savings that were to be achieved through in-house software development and the sale of products and other minor overspend on software contracts.
Enterprise Management	4		(5)	Inability to find vacancy factor and full year impact of 15/16 pay award
Development Plans		150	0	Additional income 50k, reduced call on reserves £100k
Museums and Cultural services	33		4	Green screen savings will not occur and the additional budget mandate for savings of 20k from conservation income will not occur.

1.2 Further analysis of Economic and Development Select Expenditure can be found in Appendix 8

Leisure Services	10		(85)	Budget included pressure arising from closure of Monmouth Pool of 150k which will not be required in 15/16 offset by 20k budget vired to children's service but could not be found, caretaking costs of 15k, 3G pitch issues of 45k income on 3G pitch of 30k, loss of free swimming grant of 30k and additional staff costs of 30k
Tourism	144		(6)	100k historic underfunding of Caldicot castle, overspend due to staff costs of 34k. Efforts are being made to reduce this further by use of volunteers. Budget included additional income from the Town Council of 15k but only 5k secured
TOTAL	935	914	(579)	Net Total 21

2015-16 Savings Progress

The savings required by the 2015-16 have not yet been secured.

Enterprise budgeted savings were £1,392,983 and at month 9, £1,015,983 have been identified. Of the remaining savings £125,000 are delayed and currently £253,000 are deemed to be unachievable.

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	ECONOMY & DEVELOPEMNT					
1	Dev of Leisure & Outdoor services	420,983	390,983	0	30,000	(5,000)

2	Collaboration of Housing services	55,000	55,000	0	0	0
5	Sustainable Energy Initiatives	33,000	0	0	33,000	0
6	Museums, Shirehall, Castles & Tourism	190,000	145,000	0	45,000	0
26	Property Review	100,000	100,000	0	0	0
28	Community Hubs & Contact Centre	250,000	125,000	125,000	0	0
31	ICT Savings	250,000	138,000	0	112,000	(2,000)
40	Planning income	24,000	24,000	0	0	0
41a	Market Income	70,000	37,000	0	33,000	(37,000)
	TOTAL ENTERPRISE	1,392,983	1,015,983	125,000	253,000	(42,000)

1.3 Further detailed analysis of Savings mandates are contained with Appendix SM

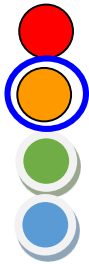
Budget Mandates

Progress and Next Steps at Month 9

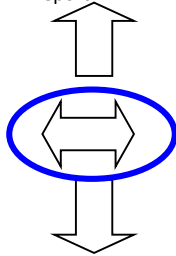
Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
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**Mandate 1
Leisure.**

Current status



Trend since last report



Leisure centre staffing remodelled £115k, admin and clerical review £66k, support services review £20k, reduction caretaking Abergavenny £15k, outdoor education reduction £25k, leisure supplies and service £25k, increased income through fitness and sport offer £155k.
Restructure process complete. All departments have individual service plans. All plans tracked and monitored by the individual service area. Full ownership of delivery by individual teams. 15k Caretaker savings will not be achieved as the school failed to invoice until 15-16. Consequently the full years charge in this year.

Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £35K achievable
Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K.
Increase income against swimming and fitness not achieved. This has resulted in a £5K improvement since month 6.

Continue to review the 3 G pitch project and review its income generation targets.

Review business plans for swimming and fitness to ensure mitigating pressures for 16/17 onwards.

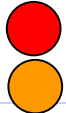
Alternative Delivery Plan based on variance reported against original mandate at Month 6

Income	155,000	140,000	15,000	Ian Sanders
Savings	265,983	250,983	15,000	
Total	420,983	385,983	30,000	
Total	420,983	385,983	30,000	

Mandate 2

Housing

Current status




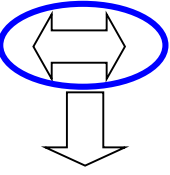

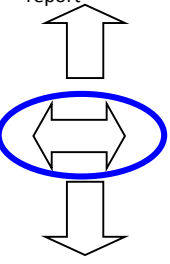
Trend since last report



- **Commercialisation of the care line service.**
- **One housing solutions service with TCBC.**
- **Expansion of shared housing scheme & B&B reduction.**
- **Management restructure.**

Continue to drive marketing plan and bespoke marketing campaign being developed with Communications Team. Future intentions include further develop website and link in with key dates/events eg engagement

Income	25,000	25,000	0	Ian Bakewell
Savings	30,000	30,000	0	
Total	55,000	55,000	0	

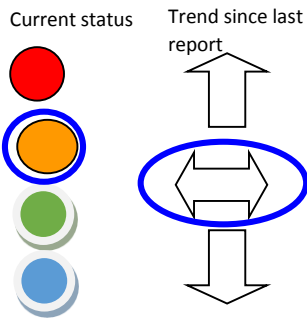
 	<p>Detailed plans in place for all projects to ensure they remain on track. The long term average trend continues to be reversed up to month 9 and the trend is definitely positive and if maintained would result in us hitting our target of 800 clients. Projections indicate the service will generate the income necessary to meet the budget.</p>	<p>forums; legislation. Continue to work with Social Care teams to raise awareness of care line's benefits and functionality. Continue to work with TCBC to develop joint Solutions Service. Interim review and evaluation valuation work undertaken during Q3 to inform development and clarify benefits. Joint review of pilot scheduled for March/April</p>					
<p>Mandate 5 *</p> <p>Sustainable Energy Initiatives</p>  <p>Current status</p>  <p>Trend since last report</p>	<p>2014/15 & 2015/16 – savings*</p> <p>Investing in biomass boilers, solar farms and reduction in Carbon Commitment.</p> <p>Expected income targets not achieved.</p> <p>Solar Farm Cabinet report approved 15 July 2015</p> <ul style="list-style-type: none"> - New Rooftop solar projects have generated additional revenue in line with our projections. - Government policy changes to the tariff render further rooftop installations unlikely. - Impact of Tariff changes upon Solar Farm project is being reviewed. - Biomass installed at Cross Ash operational and generating heat. <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) - £33K achievable</p>	<p>Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding. FIT and RHI tariff reductions will affect existing installations yet to be completed and / or registered, while impending cuts have rendered new projects unviable until further review.</p> <p>Review on going expenditure on repairs and maintenance.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>33,000</p> <p>33,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>0</p> <p>33,000</p> <p>33,000</p>	<p>Ben Winstanley</p>

Aim to increase income target on rental portfolio and reduce expenditure on repairs and maintenance. At month 9 these savings have not been realised and therefore the £33,000 budget pressure remains.

Alternative Delivery Plan – based on variance reported against original mandate at month 6.

Mandate 6

Museums & Castles



Fully integrate cultural services, tourism services and attractions within tourism, leisure and culture section. Maximise synergies & achieve a sustainable long term business footing.

Income generation target for 15/16 10K shortfall.
Weddings – Amber
Countryside savings – Green
Savings from Volunteers – Red
Income made by fundraiser – Green.
Fundraiser in place.
Income from learning – Green.

Museums - 30,000 of savings will not be achieved. Green Screen income of 10,000 and 20,000 conservation income. The Green Screens have yet to be utilised. The conservation income in the mandate was higher than agreed the total income from conservation was initially agreed as 30,000 not 50,000, the museums are looking at other ways to raise this income but the additional 20,000 will not be achieved

Income	81,000	51,000	30,000
Savings	109,000	94,000	15,000
Total	190,000	145,000	45,000

Ian Saunders

	<p>Savings from shared service model at Chepstow TIC – Red, Income from green screen – Red Income from rental of Abergavenny Red Square window - Green TIC at Chepstow has had considerable lone working pressure which is why the budget is overspent.</p>	<p>this year. Castle - Achieving in year savings of 9k but reporting total overspend of 100k due to historic budget assumptions and savings from 14-15 of 20,000. Tourism - 15,000 savings not achievable. The use of volunteers is not available at the moment. The current staffing budget only runs until the end of October but as a decision has not been made on the future of the TIC has been closed in December and January. 5,000 has been secured from the Town Council.</p>					
	<p>Alternative Delivery Plan (agreed by cabinet 2nd Dec*) - £30k achievable Winter closure of Chepstow TIC and application of museums acquisition reserve for purchases made in year. The current staffing budget runs until the end of October 2015, the TIC has been closed for December and planned for January. Income amounting to £5k has been secured from the Town Council. Following legal advice the acquisition reserve can only be used to fund the purchase of artefacts and not to off-set operational expenditure.</p>	<p>Alternative Delivery Plan</p>	<p>Total</p>	<p>190,000</p>	<p>145,000</p>	<p>45,000</p>	

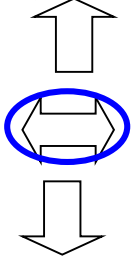
Mandate 26

Property Rationalisation

Current status



Trend since last report



At month 9 these savings have not been realised and therefore the £30,000 budget pressure remains.

These savings are predicted on the need to reduce our operational portfolio and maximise revenue streams from our investment holdings. Revenue savings are largely accrued through the reduction in utilities costs, rates, repairs and maintenance. The Accommodation Working Group is charged with reviewing all property usage with the aim of minimising the costs and releasing any property that can be made surplus.

Rental of buildings – Green
 Rates Savings on vacant buildings - Green
 Rental Grant reductions – Dedicated member of staff now responsible for this.

The Accommodation Working Group continues to review all property usage and the delivery of the rationalisation plan. Permissions for any disposal will continue through the usual council process. Work alongside agile working policy owner to explore further opportunities for greater agile working. The overall Service area has achieved its target at month 9 and is tracking to Green for year end on its overall financials.

Income	20,000	20,000	0
Savings	80,000	80,000	0
Total	100,000	100,000	0

Ben Winstanley

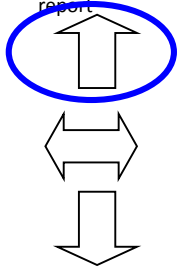
Mandate 28

Community Hubs

Current status



Trend since last report



It's about delivering services in a different way and aligning them with the Whole Place philosophy. This will introduce major changes to how the library and one stop shop services are delivered. We will create a hub in each town where face to face services will be delivered. The contact centre will sustain a reliable and informed first point of contact for people contacting us other than face to face.

Increase staffing costs are due to the delayed implementation of the of the Community Hubs restructure. The mandate savings of £250k related to a full year saving and it was only possible to achieve 6 months of reduced costs as the community Hubs opened on the 5th October 2015." Delays were as a result of in internal processes.

This outturn includes £125k of mitigating underspends including keeping a post vacant until April 2016 to help offsets the delayed mandate saving.

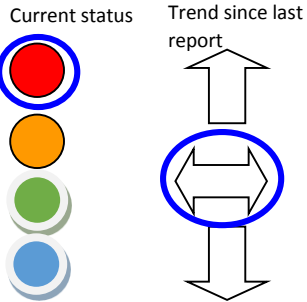
15/16
No next steps

16/17 – (50K)
The Abergavenny Hub Project plan requires continuous monitoring, updating and adjusting to reflect the project developments.

Income	0	0	0	
Savings	250,000	125,000	125,000	Deborah Hill-Howells
Total	250,000	125,000	125,000	

Mandate 31

ICT Savings (SRS & custom built software solutions)



The mandate's aim was to :- Drive cost efficiencies and income generation opportunities within the Shared Resource Service (SRS). This will subsequently result in MCC benefiting from reduced budget without any significant impact to service. And generate ongoing savings and user benefit from custom built software solutions being generated, then productised and sold commercially.

SRS have made 138k of their proposed 150k saving - still 20k saving to be found on software contracts however further savings of 20k have been found from vacancies.

The 100k savings that were to be achieved through in-house software development and the sale of products will not occur in 2016/17. Work continues to generate commercial returns from the sale or licencing of FLO, the Authority's social care app, though the app will only be marketable from Q1 in 2016/17 based on the most recent updates.

Alternative Delivery Plan (agreed by cabinet 2nd Dec*) – £110k achievable Continue to do work that is required to support the sale/licencing and commercialisation of FLO.

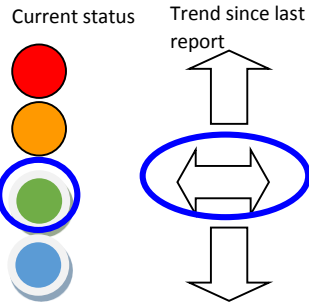
Work continues at month 9. The service is currently reviewing all budget areas and update on savings achievable will be known at Month 11.

Restriction of non-essential spend across the People and Commercial Development division, together with a further review of ICT capital and revenue budgets, aims to identify scope to mitigate the existing £112k pressure.

Alternative Delivery Plan – based on variance reported against original mandate at month 6.

Income	0	0	0	Peter Davies
Savings	250,000	138,000	112,000	
Total	250,000	138,000	112,000	
Total	250,000	138,000	112,000	

**Mandate 40a
Democracy**



This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :-
 Management restructure – Green.
 Increased income generation – Green
 Removal of a vacant post – Green
 Reduction in mileage budget – Green
 All action plans delivered in order to achieve the savings.

In relation to budget delivery no next steps

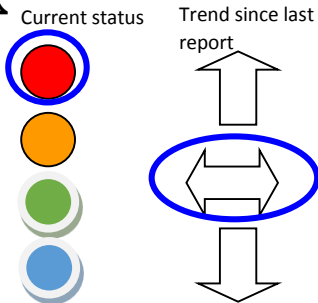
Non budget Service improvements.

Income	24,000	24,000	0
Savings	85,000	85,000	0
Total	109,000	109,000	0

Tracy Harry

Mandate 41a

Abergavenny Markets



The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.

The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges. New Structure in place for January 2016.

**Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 50k achievable
 Cease all repair and maintenance work to asset portfolio.**

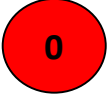



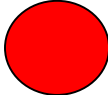




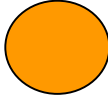










The service is forecasting achieving 37k against the alternative delivery plan.





































To build an income generation plan for future years.

Alternative Delivery Plan – based on variance reported on original mandate at month

Income	70,000	0	70,000
Savings	0	0	0
Total	70,000	0	70,000
Total	70,000	37,000	33,000

Ben Winstanley

Summary - Month 10 Current status	Summary – Month 2	Summary – Month 6	Summary – Month 9	Key
				 Not on target Concerns identified with delivery of target. Closely review & monitor.
				 Monitoring & required to keep on track
				 On target to achieve budget and action Plans.
				 On target and over achieve.

Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
1 Leisure				
2 Housing				
5 Sustainable Energy Initiatives				
6 Museums & Castles				
26 Property Rationalisation				
28 Community Hubs				
31 ICT savings				
40a Democracy				
41a Abergavenny Markets				

2. Capital Outturn Forecast

There was no original budget for capital schemes within this portfolio however capital slippage from 2014/15 of £530,735 has been allowed into 2015/16. The budget is separated under the following headings

Economy & Development	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
				£000's	£000's	£000's	£'000's	£'000's	£000's
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	450		300	450	750	(300)	450	0	0
Regeneration Schemes	308		231	205	436	(158)	278	30	30
Grand Total E&D	758		531	655	1,186	(458)	728	30	30

Further details of all the schemes are contained in the appendices. Overrun in costs are noted to the replacement cattle market and extra solicitor costs anticipated in regard of Abergavenny regeneration scheme. As is common with minor overspends they will be assessed against underspends apparent at end of year and any net cost borne in the first instance by capital receipts.

Appendices (click link to Hub)

[M9 Enterprise Revenue Budget Monitoring 2015-16 Appendix 8.xls](#)

[Appendix 3C M9 Capital Monitoring Economic and Development Select 2015-16.xlsx](#)

[M9 Savings Mandates Appendix SM 2015-16.xls](#)

Adult Select Committee Portfolio Position Statement Month 9 (2015-16)

DIRECTOR'S COMMENTARY

APPENDIX 4

In terms of adult services, we are confident in achieving a balanced budget position by year end resulting from the practice led transformation. This is helping to offset the pressures on budgets which are a consequence of the demographics and cost pressures in commissioned providers. It is important that we are well positioned by year end given the significant budget mandated savings due in 2016/17, which will continue to build on the success of the changing practice, changing lives programme. The pressure in the cost of providing community care services is being seen both within in-house services, and by external providers, with particular issues for the latter in retaining and recruiting workforce. There are a number of priorities for commissioning including new models of provision in learning disabilities to respond to a progression in practice, and the implementation of turning the world upside down in the independent care at home market.

1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Adult Service Area	Budget @ Month 6 £000's	Budget Revision Virements £000's	Budget @ Month 9 £000's	Forecast Outturn £000's	Variance @ Month 9 £000's	Variance @ Month 6 £000's	Variance @ Month 2 £000's	Forecast Movement Months 6 to 9 £000's
Adult Services	6,332	50	6,382	6,312	(70)	(131)	(18)	61
Community Care	20,370	(50)	20,320	20,268	(52)	(56)	(107)	4
Commissioning	1,984	0	1,984	1,969	(15)	(7)	(4)	(8)
Resources & Performance	906	(42)	864	866	2	(1)	(28)	3
SCH Directorate	29,592	(42)	29,550	29,415	(135)	(195)	(157)	60

1.2 The most significant over and underspends are

Adult Select Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
Disability Equipment (GWICES)		(9)	22	Advanced stock purchases in 2014/15 by the Intermediate Care Fund
Adult Transformation		(48)	9	This scheme refers to Community co-ordination and subject to reserve budget. A formal slippage request has been made to carry forward into 2016/17.
Management team		(100)	(4)	Current Disabilities team manager vacancy plus ICF grant meeting costs of the Direct Care team manager.
Direct Care		(71)	8	Team manager vacancy and additional income from client referrals.
Direct Residential Care	140		44	Employee efficiency and previous mandate savings not deliverable, additional staffing to cover sickness and falling client numbers resulting in lower income
Transition co-operative		(24)	0	Income from employee secondment
TOTAL ADULT SELECT	140	(252)	79	Net Total (112)

Further analysis of the Costs centres contained within the Adult Select Service areas can be obtained in Appendix 6.

1 2015-16 Savings Progress


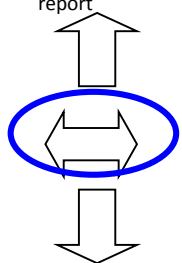
As at month 9, SCH are on track to meet our mandated savings as illustrated below: -

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed Till 2016/17 £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	SOCIAL CARE & HEALTH					
24	Bright new futures	14,000	14,000	0	0	0
33	Sustaining Independent Lives in the Community	260,000	260,000	0	0	0
	TOTAL SCH	274,000	274,000	0	0	0

1.1 Further details on the savings mandates can be found in Appendix SM

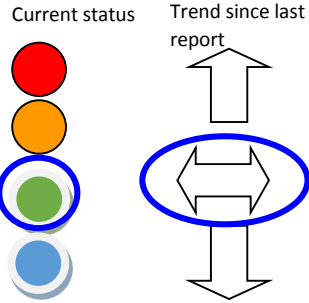
Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p>Mandate 24 * Transition - Bright New Futures (SC&H)</p> <div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> <p>Current status</p>  </div> <div> <p>Trend since last report</p>  </div> </div>	<p>2014/15 mandate*</p> <p>In 2014 we combined our Transitions Project Team within Bright New Futures Project. (based in Bridges)</p> <p>This has established a shared service model.</p> <p>No action necessary in relation to the mandate savings.</p> <p>We continue to deliver savings with this partnership working.</p>	<p>Plan to review near the end of the five year project. Review to include :- Budgets Service Resource / secondments. Etc...</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>14,000</p> <p>14,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Julie Boothroyd</p>

Mandate 33&34

Adult Social Care



The service is continuing its journey on practice change and restructuring itself to meet future mandate savings with community links and innovative approaches to domiciliary care, coupled with less reliance on admissions to residential care.

The size of the saving is challenging however the service is working together as a whole team in order to continue to review its performance in order to meet the targets. Change in practice will need to continue at pace and be significant, this will continue to take time. All targets currently on track to deliver. Dementia care matters training roll out continues with vigour and there is full commitment that this training will support the changes in practice required.

Continue to review the structures and workforce to establish the resource, knowledge and skills moving forward.

Service transformation will continue to evolve and approval sought as the programme develops.

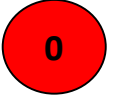
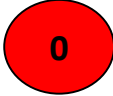
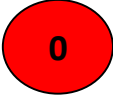
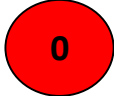
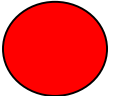
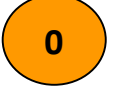
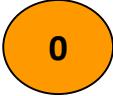
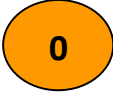
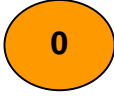
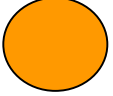










Continue to deliver and ongoing evaluation of the DCM training and other training that supports the workforce to change practice.

Continue to capture and work with teams to further develop ideas and drive practice change.

IT build continues further development (i.e reporting) and there remains positive feedback from users of FLO.

Income	0	0	0
Savings	260,000	260,000	0
Total	260,000	260,000	0

Julie Boothroyd

Summary - Month 10 Current status	Summary – Month 2	Summary – Month 6	Summary – Month 9	Traffic Light Key
				 Not on target Concerns identified with delivery of target. Closely review & monitor.
				 Monitoring & required to keep on track
				 On target to achieve budget and action Plans.
				 On target and over achieve.

Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
24 Transition – Bright New Futures				
33 Adult Social Care (&34)				

2 Capital Outturn Forecast

A summary of this year's capital schemes are shown below: -

Social Care & Health	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's	£000's	£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	202	47		171	218	(15)	202	0	0
ICT Schemes	135		35	100	135		135	0	0
Grand Total SCH	337	47	35	271	353	(15)	337	0	0

Further details of all the schemes are contained in the appendix 4C. Currently no variation has been reported and so the budgets are presented here for information only.

APPENDIX (Links to Hub)

[M9 Social Care and Health Revenue Budget Monitoring 2015-16 Appendix 6.xls](#)

[Appendix 4C M9 Capital Monitoring Adult Social Care and Health Select 2015-16.xlsx](#)

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**Children & Young People Select Committee
Portfolio Position Statement Month 9 (2015-16)**

APPENDIX 5

CYP DIRECTOR'S COMMENTARY

The Directorate's month 9 position is a forecasted overspend of £242,000, this is £45,000 higher than anticipated at Quarter 2. The youth service remains a volatile area having been subject to a £200,000 savings mandate. The current forecast over spend for the youth service is £139,000. It is pleasing to note that the Additional Learning Needs service is underspent by £132,000, again an improvement of £30,000 since Quarter 2.

SCH DIRECTOR'S COMMENTARY

In terms of children's services, there are 2 key pressures: firstly, the pressure due to continued use of agency workforce resulting from vacancies in the permanent workforce. Recruitment campaigns have not been successful so alternative workforce plans are being developed including a scheme to recruit newly qualified social workers, linked to peer mentoring. The biggest cost pressure in children's services is the placement budgets. There has been an increase in the number of looked after children currently at 119, but there have also been an increase within that number of high cost residential placements, increasing the average weekly unit cost by £3,000 per placement. There are a number of strategies being employed to address this issue namely the fostering and SGO business cases, investment in commissioning capacity, and review of early intervention and prevention model and services.

1 Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

Children & Young People Service Area	Budget @ Month 6 £000's	Budget Revision Virements £000's	Budget @ Month 9 £000's	Forecast Outturn £000's	Variance @ Month 9 £000's	Variance @ Month 6 £000's	Variance @ Month 2 £000's	Forecast Movement Months 6 to 9 £000's
21st Century Schools	0	0	0	0	0	0	0	0
Individual School Budget	43,797	121	43,918	44,033	115	28	0	87
Resources	1,402	0	1,402	1,451	49	74	61	(25)
Standards	5,434	0	5,434	5,298	(136)	(42)	99	(94)
Youth	597	0	597	708	111	137	114	(26)
CYP Directorate	51,230	0	51,351	51,491	140	197	274	(57)
Children's Services	8,543	153	8,696	10,060	1,364	1,297	675	67
Total C&YP Select	59,426	274	60,047	61,551	1,504	1,494	949	10

Page 94

The most significant over and underspends are

Children & Young People Service Area	Overspend Predicted £000's	Underspend Predicted £000's	Forecast Movement Mth's 6 to 9 (Positive) / Negative £000's	Commentary on forecasted outturn
STANDARDS				
Additional Learning Needs		152	(50)	Staff vacancy and higher than anticipated recoupment income.
Primary Breakfast Initiative Grant	55		0	Take up continues to increase and therefore resulting in additional staffing requirements.
Early Years		45	(45)	Due to the establishment of a new LA nursery there are less children attending a non-maintained setting
ISB				

ISB	115		87	Increased costs of protection at schools, changes in rateable value of a secondary school has incurred increased rates charge, also professional fees have been incurred by the directorate
RESOURCES				
Support Services	66		(11)	Efficiency savings for directorate to be identified. Directorate legal costs and a small saving now slightly higher than anticipated at Q2 due to a vacancy continuing to be held open.
Service Level Agreements		10	(10)	WJEC contributions less than anticipated.
YOUTH				
Community Education Youth General	111		(26)	Delay in the start of the ESF project will result in less income in this financial year.
CHILDRENS SERVICES				
Fostering Allowances and Payments For Skills	144		(12)	Reflects financial support to the current number and age mix of children in foster care and skills payments to carers with SGO's
Younger People's Accommodation		(66)	30	A vast amount of work has been undertaken in this budget over the past two years to deliver, at present, an underspend. This budget is prone to volatility and since month 6 we are supporting two more placements costing £1,600 per week.
5yr Enfys		(52)	0	This facility will remain closed for the entire year.
Therapeutic Service		(28)	0	Under spend due to part vacant Play Therapist post.
External Placements - LAC	1,094		174	Current activity is 70 placements compared to 64 at month 6. We are seeing a full year effect of placements that only entered the system in the latter part of last year.
External Placement - Non-LAC		(96)	0	This budget is generally used to fund the over spend within LAC.
SCYP - Placement & Support Team	122		(5)	There is a mixture of reasons for the overspend such as use of agency staff, contact and assessment costs and home to school transport. More recently this budget has funded building work to create in house contact centres.
SCYP - Supporting Children & Young People Team	233		35	Overspend relates to the employment of 7 agency workers to cover staff sickness and capacity issues and a 77% increase in transport costs since last year.
Children's Services Safeguarding Unit		(27)	(6)	Under spend relates to a vacant part time Independent Reviewing Officer post not expected to be filled until 2016/17.
Disabled Children	91		3	Large part of overspend relates to the continued use of agency staff to cover sickness.

FRS – Family Support Team	42		15	This budget has utilised the services of numerous agency social workers to cover for various staff absences.
Bus Cases / Temp Funding - Cabinet 06/05/15		(77)	(161)	Underspend relates to delayed appointment to social worker posts connected with approved business cases

Further analysis of the Service Areas contained within CYP Select can be found in Appendix 7 and Appendix 6 for Children’s Services

2 2015-16 Savings Progress

The savings required by the 2015-16 have not yet been secured.

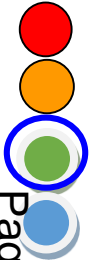
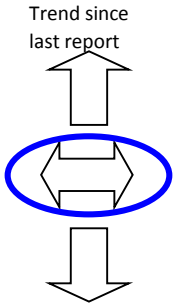
Children & Young People’s budgeted savings were £1,514,000 and at month 9 £1,377,000 have been identified. Of the remaining savings £137,000 are currently deemed to be unachievable.

Man. No.	Mandate Description	Target Savings £'s	Forecast Savings Identified £'s	Delayed In year £'s	Unachievable £'s	Forecasted Savings Variance Since Month 6 £'s
	Children & Young People					
16	Delegated Schools Budget	1,124,000	1,124,000	0	0	0
18	School Library Service	20,000	20,000	0	0	0
20	School Music Service	50,000	50,000	0	0	0
35	CYP / Additional Needs / Mounon House	120,000	120,000	0	0	0
42	Youth Service	200,000	63,000	0	137,000	0
	TOTAL C&YP	1,514,000	1,377,000	0	137,000	0

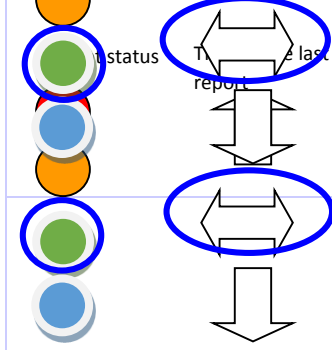
2.1 Further analysis of the Savings mandates can be found in Appendix SM.

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p>Mandate 16</p> <p>schools delegated budgets</p> <p>Current status  Trend since last report </p> <p>Page 97</p>	<p>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

Mandate 35 *
Transformation of School library service - combine with general library service



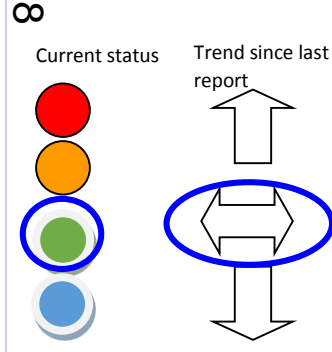
We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.
 2017/18 fully delivered with 2016/17 savings*
 Stages 1 and 2 are complete.
 The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).

All timescales of delivery of the mandate to stay in line with the complete necessary timetable.
 All future stages of the ALN review will be monitored via the future mandates.

Income	0	0	0
Savings	20,000	20,000	0
Total	20,000	20,000	0

Sharon Randall-Smith
 Sharon Randall-Smith

Mandate 20
Gwent Music



Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-
 Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.
 Introduce an instrument charge.
 Not fill the vacant post.
 Music access fund agreed as of 19th June by cabinet.
 Access fund launched from September 2015.

To continue to work with Gwent music to develop the music provision for Monmouthshire schools in light of the reductions.
 Gwent music have worked very successfully on income generation and very closely with Monmouthshire to achieve this.
 Gwent music continues to work with MCC to ensure the finding is used to support the need.

Income	0	0	0
Savings	50,000	50,000	0
Total	50,000	50,000	0

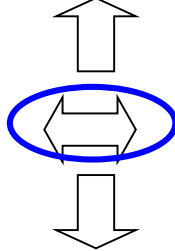
Nicky Wellington

**Mandate 42
Youth Service**

Current status



Trend since last report



Replace core funding with other income sources.
The Youth Service is exploring new ways of working. They are embracing this opportunity in an innovative way. Small groups are exploring ideas to generate income streams and savings whilst ensuring quality service is maintained.

Sourced and secured ESF funding for pre and post 16 for a period of 3 years. 130k per year secured and runs an academic year so circa 70k will be in this financial year.

Secured 10k from Supporting People's Programme to assist with Post 16 support for 1 year

Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Skate Park Shop in Abergavenny is near opening
Finalising details with Legal on contract with local business
Audit and accounts have been set up
Marketing ready to go out

Propel is steadily progressing
Courses ready to advertise
Staffing being trained currently to deliver

Wellbeing is steadily progressing
Courses being written
Staff who have expertise in this area are finding it difficult to fit in this as well as working with young people on their case load as these are the priority.

Meetings with all schools to look at new roles for staff and outcomes required to meet funding criteria.
Planning and writing of resources and courses to be completed over summer period
Programme to start delivery on 2nd September 2015

Meet with SPP to finalise grant.
Case load young people to be supported. Commence project in July 2015.

Market and promote menus and packages available
Community Kitchen opened September 2015.

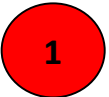



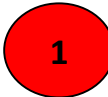
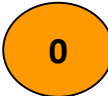


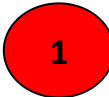
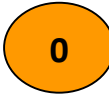


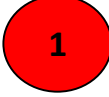



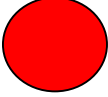
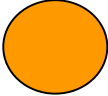

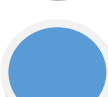
Set income targets once steady business flow is established.
Shop to be operational by September 2015
Set income targets once steady business flow is established

Still awaiting for HUB section to promote courses
Meeting with staffing team to look at where time can be found in order to free staff up to deliver specialised courses and offer more packages to families and young people

Income	200,000	63,000	137,000
Savings	0	0	0
Total	200,000	63,000	137,000

Tracey Thomas

	<p>£63,000 the savings have been met, but the service are reporting an £137k overspend at month 6.</p> <p>Alternative Delivery Plan (agreed by cabinet 2nd Dec) – 60k achievable Combination of increase in Grant Income and savings on staff vacancies. Grant income delayed to new financial year</p>	Amendment to delivery plan.	Total	200,000	63,000	137,000	
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<p>Summary - Month 10 Current status</p> <p style="writing-mode: vertical-rl; transform: rotate(180deg);">Page 100</p> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> </div>	<p>Summary – Month 2</p> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> </div>	<p>Summary – Month 6</p> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> </div>	<p>Summary – Month 9</p> <div style="display: flex; flex-direction: column; align-items: center;"> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> <div style="margin-bottom: 10px;"></div> </div>	<p>Key</p> <div style="display: flex; flex-direction: column; align-items: flex-start;"> <div style="margin-bottom: 10px;">  <p>Not on target Concerns identified with delivery of target. Closely review & monitor.</p> </div> <div style="margin-bottom: 10px;">  <p>Monitoring & required to keep on track</p> </div> <div style="margin-bottom: 10px;">  <p>On target to achieve budget and action Plans.</p> </div> <div style="margin-bottom: 10px;">  <p>On target and over achieve.</p> </div> </div>
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Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
16 Schools Delegated budgets				
18 School Library Service				
20 Gwent Music				
35 Transformation of ALN				
42 Youth Service				

3. SCHOOLS

3.1 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 outturn forecast Schools' balances position based on month 9 projections.

Draft Council Fund Outturn 2015/16– Schools Summary outturn position at Month 9 (Period 3)	(A) Opening Reserves (Surplus) / Deficit Position 2015/16 £'000	(B) Month 6 Draw on School Balances 2015-16 £'000	(C) Variance on Month 6 Reserve Draw £'000	(D) Draw Forecasted on School Balances @ Month 9 £'000	Forecasted Reserve Balances at 2015-16 Outturn (A+D) £'000	Forecasted Reserve Balances @ Month 6 £'000	Forecasted Reserve Balances @ Month 2 £'000
Clusters							
Abergavenny	(412)	(19)	65	46	(366)	(431)	(312)
Caldicot	(426)	153	(41)	112	(314)	(273)	(174)
Chepstow	98	63	17	80	178	161	143
Monmouth	(424)	154	(17)	137	(287)	(270)	(231)
Special	24	105	11	116	140	129	(4)
	(1,140)	456	35	491	(649)	(683)	(578)

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3.1.2 School balances at the beginning of the financial year amount to £1,140,000. The Schools budgeted draw upon balances is forecasted to be £491,000 for 2015/16, therefore leaving £649,000 as forecasted closing reserve balances.

3.1.3 Within these summary figures, of particular note, is the deficit reserve position forecasted for the Chepstow Cluster, Chepstow Comprehensive school have a recovery plan in place, the latest forecast indicates an increase in the deficit for the school. This is due to the contribution to redundancy costs that the school has incurred and additional water rate. The recovery plan is currently being reviewed and given the predicted increase in number of pupils on roll this deficit will still be met over the duration of the plan.

3.1.4 5 schools exhibited a deficit position at the start of 2015/16; Llanvihangel Crocorney (£30,947), Castle Park (£36,380), Chepstow Comprehensive (£399,926) Llandogo (£11,391) and Mounton House Special School (£142,391). Of these five schools the following four have seen an increase in their deficit balance at month 9, Llandogo (£1,770), this is due to the sickness absence at the school, Chepstow School (£24,478) due to water charges and increase in exam fees, Castle Park (£6,168) due to changes in staffing, and Mounton House Special School (£6,247), due to significant staffing changes and a delay in grant funding through the ESF project.

3.1.5. Schools balances are exhibiting a fluctuating trend with some schools showing a continuing reduction in schools balances which is of concern and others a more balanced trend.

Financial Year-end	Net level of School Balances
2011-12	(965)
2012-13	(1,240)
2013-14	(988)
2014-15	(1,140)
2015-16 (Forecast)	(649)

3.1.6 There has been a significant reliance on reserve balances to supplement school spending plans in the last 4 years across individual schools with a certain amount of replenishment. As a rough guide, prior to 2010, Welsh Government advocated that school balance levels equated to no more than £50,000 for a primary school and £100,000 for a secondary school. Members may wish to seek a comfort that balances aren't being used to subsidise and sustain core costs such as staffing.

3.1.7 Individual School Balances are available in Appendix 14 CYP School Select.

Capital Outturn Forecast

The total budget for Capital Schemes within the Children & Young People portfolio is £51,350,996 comprising an original budget of £43,100,948 together with authorised capital slippage from 2014/15 of £7,267,647 and virements or revisions of £982,401. The budget is separated under the following headings

CHILDREN & YOUNG PEOPLE	Annual Forecast	Original Budget	Slippage from 2014/15	Budget	Total Approved Budget	Provisional Slippage carried Forward 2016/17	Adjusted Budget	Forecast	Variance
				Virement or Revision	@ Month 9		@ Month 9	Over / (Under) Outturn @ Month 9	Reported @ Month 6
	£000's	£000's	£000's		£000's	£000's	£'000's	£'000's	£000's
Asset Mgt Schemes	19	0	19	0	19	0	19	(0)	0
Future Schools	13,552	42,197	6,699	0	48,896	(35,235)	13,661	(110)	(92)
School Development Schemes	269	50	219	806	1,075	(806)	269	0	0
Maintenance Schemes – Property	1,361	853	331	176	1,361	0	1,361	0	0
Grand Total	15,200	43,101	7,268	982	51,351	(36,041)	15,310	(110)	(92)

Further details of all the schemes are contained in the appendix 5C. There is an underspend anticipated in respect of Raglan 21c schools scheme, This is not available for redistribution at this stage, as there is a prior commitment to utilise this source to assist with IT capital replacement in schools during 2016-17.

APPENDIX (links to Hub)

[M9 School Movement on Reserves 2015-16 Appendix 14.xls](#)

[M9 Social Care and Health Revenue Budget Monitoring 2015-16 Appendix 6.xls](#)

[M9 CYP Revenue Budget Monitoring 2015-16 Appendix 7.xls](#)

Appendix [5C M9 Capital Monitoring Children and Young People Select 2015-16.xlsx](#)