

## MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Economy and Development Select Committee held  
at The Council Chamber, County Hall, Rhadyr, Usk, NP15 1GA on Thursday, 19th July,  
2018 at 10.00 am**

**PRESENT:** County Councillor P.Pavia (Chairman)  
County Councillor (Vice Chairman)

County Councillors: J.Becker, A.Davies, D. Dovey, M.Feakins,  
R.Roden, B. Strong, A. Watts, A. Easson, D. Evans, J. Higginson,  
R.J.W. Greenland and V. Smith

Also in attendance County Councillor: V. Smith

### **OFFICERS IN ATTENDANCE:**

Mark Howcroft	Assistant Head of Finance
Cath Fallon	Head of Economy and Enterprise
Hazel Ilett	Scrutiny Manager
Wendy Barnard	Democratic Services Officer
Ian Saunders	Head of Tourism, Leisure, Culture and Youth
Richard Simpkins	Business Manager - Tourism Leisure and Culture
Hannah Jones	Youth and Community Officer
Richard Jones	Performance Manager
Dave Loder	Finance Manager

### **APOLOGIES:**

There were no apologies.

#### **1. To Consider a Call-In relating to the Cabinet Decision dated 4th July 2018 regarding Restructure of Attractions.**

The Chair informed the Committee that this item was to consider a Call-in request in respect of the Cabinet decision taken on 4<sup>th</sup> July 2018 in respect of "Restructure of Attractions".

The Scrutiny Manager advised the committee on the process as outlined in the Constitution. The purpose was to consider the appropriateness of a decision that had already been taken by the Executive, a decision that had been called-in by Members. Members were advised that the Committee was not able to make a decision themselves but were able to do one of the following:

1. Accept the Cabinet's decision.
2. Refer the matter back to Cabinet for re-consideration (with reasons).
3. Refer the matter to Council for consideration.

The Chair invited Members who requested the call-in to briefly outline their reasons for calling in the decision. The following points were noted:

Members who were signatories of the Call in expressed concern about the report as follows:

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- The report was considered by Cabinet without pre-decision scrutiny, no papers were available in advance of the meeting (therefore there had been insufficient notice) and the outcome was not listed as a proposal.
- The report was vague with insufficient, defined information provided on costs and how they were calculated.
- The position on possible redundancies was unclear and responsibility for costs was questioned as implementation would be ahead of the Alternative Delivery Model (ADM) and could exceed the £10,000 limit. It was also questioned if the cost of redundancies had been added into the ADM process.
- The rationale was questioned noting that it was unclear if there was any financial advantage from the proposed change. It was queried why the change was proposed at this time, ahead of implementation in December.
- It was questioned what arrangements would be in place to cover leave and sickness absence for the new Visitor Attractions Group Manager post, and also to address staff stress.

The Chair invited the Cabinet Member to provide a response.

The Cabinet Member advised that this decision was not directly connected with an ADM adding that the Council had not made a decision as yet. The reason for change arose from the need for a better management structure and this would have been the case with or without an ADM. If an ADM proceeds it will be important to have a management structure that is fit for purpose from the beginning to ensure the best possible start.

- Regarding possible redundancies, it was confirmed that those likely to be affected would have been consulted first.
- Considering the reason for the Call In, the Cabinet Member acknowledged that costs could be over the £10,000 threshold as the costs are not fully known as they depend on appointment to jobs in the new structure and e.g. years of service etc.
- The point was made that the Council makes decisions on a very regular basis and it would be impossible for every decision to be pre-scrutinised but there is the facility of Call in that allows any member to challenge any decision. To change to a process so that every decision is pre-scrutinised would require a motion to Council to change the Constitution.
- The Cabinet Member acknowledged that there is no financial advantage or savings to be made by following this course of action but a better management structure would be in place to manage attractions. He confirmed his understanding that no alternatives had been put forward.

The Chair welcomed the Cabinet Member's comments on pre decision scrutiny and expressed his view that the Call In was about following process. It was acknowledged that the report should have been on the Cabinet Forward Work Planner to ensure that decisions can be pre-scrutinised as required.

The Cabinet Member remarked that there had been no time for pre-scrutiny as it was a priority to address the management structure to address pressures within the team and embed a new management structure ahead of an ADM decision to ensure there is as good a position as possible before any change is made. Assurances were provided that where possible, pre-scrutiny is undertaken.

The Head of Tourism, Leisure, Culture & Youth confirmed that there would have been a restructure regardless of ADM because of the length of time the ADM decision process had

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taken to date and because of stress in the workplace in Attractions. He praised the commitment and motivation of staff confirming that the teams had reached capacity and the new structure would alleviate some of the issues and bring some consistency to processes across the sites. The Group Manager would also have opportunity to take a more commercial approach.

It was confirmed that staff and managers were consulted with extensively.

A Member, whilst agreeing that action was necessary, suggested that a topic such as a management restructure, with potential redundancies, warranted the opportunity for scrutiny. It was questioned what is expected from the change to a new structure in terms of improved performance or return on investment to justify possible redundancies, and how performance can be better with less people.

The Assistant Finance/Section 151 Officer provided clarification that the same process for redundancy is used for all redundancies. It is a two stage process that acknowledges the need for re-engineering of services and change, and reminded the committee that it is not possible to prejudge appointment to the new roles and redundancy payments are bespoke to the individual according to salary, years of service etc. There was therefore an approximation of costs.

A Member confirmed that the report was presented to Council on 6<sup>th</sup> June 2018 as a matter for Cabinet and explained there would have been opportunity for scrutiny thus avoiding the Call In.

The Chair advised the Select Committee that following detailed discussion, Members now needed to consider the way forward and it was necessary to choose one of the following options:

1. Accept the Cabinet's decision;
2. Refer the matter back to Cabinet for re-consideration, with reasons; or
3. Refer the matter to Council for consideration

The Chair summed up that:

- The decision taken was not directly related to ADM, noting that a decision on ADM has not yet been made by Council;
- A better management structure is needed and the operational layer with a Group Manager was the preferred means to be in the best possible position to hand over in the event that an ADM is approved by Council;
- Staff members were consulted as part of a robust process; and
- Whilst redundancy costs are not specifically known, it was accepted that they are likely to be over £10,000.

Members put forward two proposals:

1. Accept the Cabinet's decision; and
2. Refer the matter to Council for consideration

Upon being put to the vote, the proposal to accept the Cabinet's decision was carried. As there was a clear outcome, the Chair did not vote.

Members calling in the decision, the Cabinet Member and Officers were thanked for their contribution.

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#### **2. Declarations of Interest.**

No declarations of interest were made.

#### **3. To confirm the minutes of the previous meeting.**

The minutes of the meeting of the Economy and Development Select Committee held on 7<sup>th</sup> June 2018 were confirmed and signed by the Chair.

#### **4. Public Open Forum.**

No members of the public were present.

#### **5. Youth Enterprise – European Social Fund (ESF) Programmes – Inspire2Achieve (I2A) and Inspire2work (I2W) Extension.**

##### **Purpose:**

Further to Cabinet approval for the implementation of the Inspire2Achieve (I2A) and Inspire2Work (I2W) programme in March 2016, and July 2017 Youth Enterprise requests in principle support for additional match funding from Authority Invest to Redesign reserves for 2018-19 and Base Budget consideration from 2019-20 to 2022-23. This funding will enable the extension of the existing I2A programme to December 2021 which provides education and well-being support with the aim of reducing the risk of becoming NEET (Not Engaged in Education, Employment or Training) and the existing I2W programme to December 2022 which provides post 16 support, intervention and employment opportunities utilising European Social Fund (ESF) monies.

##### **Recommendations:**

The Committee considers the request for additional match funding from the Invest to Redesign reserves for 2018-19 and Base Budget Consideration from 2019-20 to 2022-23, offering recommendations which will inform the Cabinet.

##### **Key Issues:**

1. I2A provides education and well-being support, and qualifications for young people aged 11-16 years most at risk of becoming NEET and I2W provides employability support, qualifications and work placements for unemployed young people aged 16 -24 years.
2. The current I2A programme for 11-16 year olds was approved by Cabinet in March 2016 for three years (March 2019) at total project cost of £792,900 split between 45% ESF of £356,805 and 55% MCC match funding of £436,095.
3. The current I2W programme for 16- 24 year olds was approved by Cabinet in July 2017 until February 2020. The total project cost was £401,609 split between 45% ESF of £180,724 and 55% MCC match funding of £220,885.
4. Members have previously been made aware that Welsh Government has implemented the Youth Engagement and Progression Framework 2013, which provides a delivery model centred on the needs of young people identifying six key areas for achieving better outcomes for young people. The principles of the framework are embedded in the I2A and I2W programmes and are designed to secure added value whilst reflecting the needs and aspirations of Monmouthshire's young people and the Authority's Corporate Plan.

##### **Member Scrutiny:**

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The Head of Enterprise & Community Development introduced the report and the Youth Enterprise Manager provided further information. Following presentation of the report, Members were invited to comment.

A Member asked what arrangements were in the event that the European Social Fund is discontinued due to Brexit. It was responded that the lifetime of the project is until 2023. The lead authority, Newport City Council has liaised with the Welsh European Funding Officer and the situation looks promising at the current time. In response to a query, it was explained that there is a budget for the lifetime of the project and quarterly claims are submitted to obtain funds. Newport City Council monitors outcomes and the authority is RAG rated green for both projects.

The Head of Enterprise & Community Development added that the Rural Development Programme also receives European funding and there is no indication that it will be withdrawn at the present time. Post 2022 projects, however, are likely to be affected.

A Member asked if a risk factor should be included related to a “no deal” Brexit where there could be no funding and suggested that there should be contingency arrangements. It was responded that there is a UK Share Prosperity Fund that could be a replacement source for the European funding.

A Member noted that two of four indicators were achieved and asked what actions were in place to address the shortfall. It was responded that that it is a priority to claim the four outcomes. Officers continually look at pressure points for young people and how to support and mentor them.

The Chair asked for more clarity around forecasting and equivalent percentages. It was explained that there were only 8 young people leaving Year 11 last year as NEET in line with the strategy.

#### **Committee Conclusion:**

The Select Committee, as per the report recommendation, scrutinised the request for additional match funding from the Invest to Redesign reserves for 2018-19 and Base Budget Consideration from 2019-20 to 2022-23.

The Committee was in favour of the request and asked that consideration is given to risk in view of uncertainties about the continuation of European Funding.

1. That Select Committee scrutinises the situation analysis and options appraisal and considers the proposal to recruit a fixed term, full time Theatre Manager, with supporting Front of House Supervisors, be resourced from within the approved Medium Term Financial Plan, in order to put the Theatre on a on a more stable footing and determine the medium/longer term future for the Theatre.

2. That Select Committee considers the development of a formal Charter or Concordat with Acting for the Borough (A4B), the former Borough Theatre Management Committee.

#### **Key Issues:**

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1. In February 2018, Cabinet approved and accepted the surrender of the lease between the Council and the Borough Theatre Trust. In so doing, the Management Agreement entered into by both parties ceased and Abergavenny Borough Theatre returned to the ownership and control of the Council. The Borough Theatre Trust were in full agreement with the actions taken and agreed to cease to operate and to de-register themselves on conclusion of the hand-over. The Council also agreed to undertake a TUPE transfer of the six existing Theatre employees, and to meet any severance costs of the individuals if a viable, ongoing model for the Theatre could not be found.

2. In making the decision, the Authority agreed to review all operations of Abergavenny Borough Theatre over a six month period and to bring forward an options appraisal as a subsequent report to Cabinet for the medium term future of the Theatre.

#### **Member Scrutiny:**

The Head of Enterprise and Community Development and Finance Manager presented the report. Following on, Members were invited to comment and ask questions:

A Member queried financial viability and asked if there was any comparative data with similar towns and theatres, also if any theatres are closing. It was responded that the data comes from the Arts Council for Wales. There was no information about closures. It is a recognised fact within the industry that theatres need financial support. The grant applied puts the theatre on a sustainable footing. The theatre is a community facility and plays a significant role in the social wellbeing of Abergavenny. It is bigger than any other in the town, has a good reputation and audience figures are strong.

A Member stated that arts and entertainments have been identified as growth areas and spoke in favour of the appointment of a manager to promote successful outcomes whilst accepting the risk of a potential additional severance payment to do so.

In response to a question about the cost of refurbishment it was confirmed that there was a grant available from the Arts Council worth £280,000 which would have to be match funded, and the means to do this is under consideration. It is positive that the Arts Council has appointed a London based theatre architect to work with us. Further details will be provided in due course.

A Member supported the proposals and emphasised the importance of maximising use of Council owned facilities by the full range of communities including schools.

A Member asked about the ongoing financial commitment to refurbish and maintain the theatre. He stated the need to be realistic about revenue and for the need for careful scrutiny. It was confirmed that there will be six monthly updates and scrutiny will be arranged as necessary.

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It was confirmed that the trust is being wound up and funds will be moved over by 1<sup>st</sup> September 2018, that there are no ring fenced grants although there are positive indications from the Arts Council of Wales regarding the capita refurbishment funding and a reconciliation of transactions will be carried out to ensure that the council only pays for expenditure relating to the running of the theatre after handover. Any other balances will be used up by the trust on outstanding expenses. It was confirmed that there will be opportunity to scrutinise the final accounts.

#### **Committee conclusions:**

The Economy and Development Select Committee agreed with the recommendations in the report:

1. That Select Committee scrutinises the situation analysis and options appraisal and considers the proposal to recruit a fixed term, full time Theatre Manager, with supporting Front of House Supervisors, be resourced from within the approved Medium Term Financial Plan, in order to put the Theatre on a on a more stable footing and determine the medium/longer term future for the Theatre.
2. That Select Committee considers the development of a formal Charter or Concordat with Acting for the Borough (A4B), the former Borough Theatre Management Committee.

The Chair acknowledged that the Borough Theatre is an important community asset and echoed the views of the Select Committee that Members want it to flourish and generate cultural wellbeing for residents.

#### **7. Next Steps - Events and Special Projects.**

##### **Purpose:**

To provide a progression report on Events further to the findings of an independent Events review; and to consider the options that will underpin a forward plan and future Events Strategy.

##### **Recommendations:**

To consider the forward plan for Events and offer comments and recommendations to inform the Cabinet paper for the 25th July 2018, regarding the preferred 'Hybrid' option the purpose of which is to put the Events and Special Projects team on a strategic and stable footing.

##### **Key Issues:**

1. Following the findings of a number of internal audit reports and a Limited Assurance audit opinion, an independent evaluation was undertaken to review progress made towards the implementation of the internal audit recommendations. The purpose of the review was to:
  - review the current "in house" team using the audit report as baseline data to analyse current procedural issues which pose risks to the Council;
  - produce a detailed options analysis of alternative delivery options to include a hired facilities model, joint venture partnership delivery, etc. which will be specific in recommending new approaches to future event delivery;
  - undertake local stakeholder consultations to gauge opinion regarding the staging of major events at Caldicot Castle;
  - produce a detailed analysis of the option to divest from events to include the projected impact on tourism visitor numbers, the reduced potential for repeat visits, the potential for reduced visitor spend and the impact on the benefit of wider community engagement opportunities;

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□ inform a Forward Strategy document which contains a full appraisal of all available options; will be strong in strategic direction and guidance surrounding good governance; will enshrine due diligence and include guidance on how this can be operationalised, should the opportunity to divest prove too costly to consider.

2. The findings of the review concurred with the Audit report findings whilst also identifying the benefit of the events to the local economy:

- Events can be considered as part of the DNA of a rural economy like

Monmouthshire's because they can create a lively and dynamic experience for residents and visitors. They can be key in promoting the area and all the wonderful things people can enjoy whilst visiting it. For local residents, they have provided recreational opportunities that help to build strong and resilient communities through participation and involvement, as well as increasing economic and social benefits in the following ways:

- Events boost the local economy from increased visitor numbers and increased spending associated with events;

- Events act as a platform for providing positive local and national media about the area as well as increasing the county's profile locally and nationally;

- Events encourage economic growth opportunities by developing the local supply chain to respond to the need of major events;

- Events provide opportunities for the local community to get involved by volunteering to help develop skills and employment opportunities; and

- Events provide local entertainment for the community and additional recreational opportunities for residents across the county.

3. On top of these benefits the review recognised the general feel good factor. Having a lively and dynamic locality brings immeasurable benefits to communities, businesses and tourism which contribute £163.5 million (Visit Monmouthshire Website) to the local economy. After a major event, an area can be 'buzzing' for weeks about how great the events are for the region.

4. The review also stated that although it wasn't possible to measure all the financial benefits of the events at Caldicot Castle more robustly as no specific visitor surveys were carried out there for the events and the database of ticket buyers wasn't retained. However, the anecdotal information locally was positive and it was clear that there was good energy in the town - pubs and restaurants were full and local accommodation providers were fully booked well in advance.

5. The review considered that if the Council were going to continue bearing the risk of the events it puts on the site, more advice needed to be taken in terms of the quality control of the events taking place and their financial viability. All the stakeholders and officers interviewed demonstrated an appetite to continue doing large events at Caldicot Castle.

That said, some of the feedback was that there should be a reasonable mix of larger and smaller type events. There were some tensions in terms of the restrictions placed on those wanting to use the site as a country park which needed to be considered going forward. The mix demonstrated in 2017 was good, but perhaps leaning too much towards the music side, and two concerts only might have been more appropriate.

6. Other general conclusions included:

- Many of the problems encountered by the Council in relation to the 2017 summer events in Caldicot Castle related to lack of experience and the ambitious programme which involved a large increase in scale and volume of events from previous years;

- Additionally, the local audience for the events in the Castle is undoubtedly a strong one but with too many events there was not enough money in the local economy to support all the events. Emphasis needs to be placed on events that attract audiences from outside Monmouthshire i.e. increasing the current 9% figure of event visitors from outside the County.

7. Going forward the review recommended:

- A system of more robust checking of the key elements that failed (reporting of ticket sales, budget updates and supplier management and procurement, effectively all the recommendations from the audit reports) be it through regular meetings or other systems of checks and balances and robust assistance of support services;



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- Improved communication and engagement. A shared information system is therefore recommended which is updated and synced where all key people can refer to it. This would need to be checked on a regular basis to ensure all key documents are in place and up to date. This would involve agreeing the nature of the files to be kept in advance, aligned with an event timeline from the first day after the project is signed off;
- In terms of procuring suppliers a clear set of guidelines needs to be given to the team in terms of what they can and can't do. If those procedures are already in place then the system needs to be enforced with no suppliers being signed off unless they have been procured the correct way. This includes signoff to ensure staff being taken on and that they have been recruited properly in line with the Council's staff recruitment policy.

#### **Member Scrutiny:**

Members supported the hybrid model but also explained that there was a need to be selective and understand risk. It was responded that there is a financial viability template. Noting that many factors are taken into account when assessing events, it was agreed that this aspect could be transferred into a risk matrix and added to the Cabinet report.

A Member agreed that the new management structure will help to address risk, that there is the significant potential to increase income generation at MCC sites and suggested that the ADM team should be allowed some autonomy to make decisions for example it was also suggested that development of the cycleway from the Ministry of Defence station to the coastal path should be progressed.

The Assistant Finance/Section 151 Officer reported that events had been put forward as a means of sustaining Council activities but had made a loss in each of the last three years and suggested that core budget provision is made for staff. Members were encouraged, when considering next year's budget, to reflect on the business cases for events and the Borough Theatre and the return on investment. Members were reminded that evaluation can be different from the private sector which is measured solely in financial terms whereas in the public sector an event could be evaluated as a good service to the community.

A Member suggested seeking the right partners and sharing cultural exchange to learn about commercial operations.

The Head of Enterprise and Community Development responded about the commercial focus of the team and that the review had identified important lessons. It was confirmed that there is a community and corporate function to the role, not just a commercial aspect, and the hybrid model provides this flexibility.

A Member asked if there was a better way to promote this model. It was responded that in the current financial climate, authorities have to consider commercial undertakings to sustain its organisation and the annual budget process doesn't necessarily provide enough time to consider how best to invest. Members were reminded that there is a commercial and financial aspect and they should request updates from officers.

The Events Facilitator emphasised the importance of maximising use, access and opportunities at the various sites and also the importance of sensitivity to the local conditions whilst ensuring that events are also for the authority's benefit.

A Member stressed the importance of the organisers of events being careful for the environment for those who do not wish to attend e.g. noise, waste etc. It was responded that efforts are being made to take account of these aspects e.g. new noise management policy for Caldicot Castle and notification to residents of any expected disruption and also not over-using each

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venue. Each event will have to a proforma to adhere to, to ensure standards are consistently applied and organisers will have access to a range of expert advice.

#### **Committee Conclusions:**

The Chair summarised that there is large potential to utilise the Council's assets to both generate income and deliver great events for residents whilst also attracting visitors to the County.

In considering the report, risk and the weighting of risk was discussed and acknowledged.

The Select Committee considered the forward plan for Events and offered comments and recommendations to inform the Cabinet paper for the 25th July 2018 agreeing with the preferred 'Hybrid' option the purpose of which is to put the Events and Special Projects team on a strategic and stable footing.

The Committee recommended inclusion of a Risk Matrix in the Cabinet report.

Officers were thanked for their contribution.

#### **8. Performance report 2017/18 - Well-being objectives & national performance measures.**

##### **Purpose:**

To present the 2017/18 performance information under the remit of Economy and Development Select Committee, this includes:

- Reporting back on how well we did against the well-being objectives which the previous Council set for 2017/18 (appendix 2)
- 2017/18 performance information on how we performed against a range of nationally set measures used by all councils in Wales (appendix 3).

##### **Recommendations:**

Members are invited to scrutinise how well the authority performed against the objectives it set for the previous financial year and scrutinise performance measured using a range of nationally set indicators that fall within the remit of the committee.

##### **Key Issues:**

1. The council currently has an established performance framework, this is the way in which we translate our vision - building sustainable and resilient communities – into action and ensure that everyone is pulling in the same direction to deliver real and tangible outcomes. This is shown at appendix 1. Further information on the council's performance framework is available on the council's intranet, the hub.
2. The information contained within the report, in many cases will cover the performance of service areas already scrutinised as part of the Select Committee's work programme. The purpose of bringing the information together is to allow Select Committee to understand performance in the context of the strategic plan or performance framework within which it is set. Committee members are encouraged to utilise their time appropriately in consideration of the scrutiny the committee has already undertaken in service areas and has planned on the committee's work programme. The report may identify further areas of scrutiny that committee may want to consider for inclusion on the forward work

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programme. Activity that contributes to the delivery of some objectives cross cuts select committee remits.

Therefore it is suggested members particularly focus their scrutiny on the activity relevant to the committee with consideration of its contribution to the objective as a whole.

3. In March 2017 full Council set Monmouthshire County Council's well-being objectives for 2017/18. These objectives were set just prior to local government elections in May 2017, in order to meet the legislative requirement of approving and publishing Wellbeing Objectives by 31st March 2017. Given the timing of the publication the latest available evidence from the Monmouthshire well-being assessment, as well as policy and legislation was used to set the Objectives.

4. The approval of the Corporate Plan 'A Monmouthshire that works for everyone' which sets five priority goals the Council will be working towards by 2022 supersedes the Council's well-being objectives set in March 2017. Despite these objectives being superseded by the Corporate Plan it is important, and we have a duty, to report back on the progress we made in 2017/18 against the well-being objective set in March

2017. The report in appendix 2 provides the progress with the objective that is under the remit of the select committee. This includes progress against areas of work related to the objective, an understanding of key performance information and future activity the Council has agreed as part of the Corporate Plan. As well as being presented to select committees the objectives will be included alongside a fuller evaluation of the Council's performance in 2017/18 that will be reported to Council in

September 2018 and published by October 2018.

5. Performance data and information is essential to our performance framework to track and evaluate the progress being made. One important nationally set framework used to measure local authority performance is 'Public Accountability Measures' set by Data Cymru. Appendix 3 shows the performance in 2017/18 for the performance indicators that are part of this framework and are under the committee's remit.

Benchmarking data compared to other Councils in Wales will be published in August

2018 and will be made available to members as part of the report mentioned in paragraph 3.4

6. Future performance reporting will be based around monitoring and evaluating progress against the actions set in the Corporate Plan. It is important to consider the information in this report supported by a range of performance information that is part of our performance framework and performance reports that select committees receive and can request as part of their work programme.

#### **Member Scrutiny:**

The Performance Manager introduced the report.

A member referred to the deliberations of the Public Service Board about how to meet the aspirations of the Wellbeing and Future Generations Act and enquired when the action plans will be available, and how targets and performance will be regularly monitored. It was noted that Lead Officers for the various steps will provide updates and the Public Service Board Select Committee will have a scrutiny role. It was added that some of the actions the Council will be undertaking are also set out in the Corporate Plan. Scrutiny of the Council's role in the work of the Public Service Board will also be through a framework in the Corporate Plan. Service Delivery plans are also available.

The Chair asked what significant risk areas have been identified and it was responded that the first annual report will be produced that covers nine expectations from the Future Generations Commissioner, and performance will be evaluated accordingly. The scrutiny role will be to look at celebrating good progress and scrutinising areas for improvement.

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Wellbeing objectives set in the Corporate Plan will also be evaluated against suitable measures. The Future Generations Act will look at longer term improvements and continuous improvement. Measures will be put in place to evaluate performance against suitable milestones.

In terms of performance indicators, a Member asked if the downturn was due to the rebuild at Monmouth and the depreciation of leisure assets questioning if people are not happy with offer. It was explained that the leisure team are confident the analysis reflects that the impact of closure on visitor numbers has been less than thought. It was pointed out that there are three other leisure centres in the county that also contributes to the visitor data.

#### **Committee Conclusions:**

The Economy and Development Select Committee was satisfied that it had scrutinised how well the authority performed against the objectives it set for the previous financial year and scrutinised performance measured using a range of nationally set indicators that fall within the remit of the committee

#### **9. Revenue and Capital Monitoring 2017/18 Outturn Statement.**

##### **Purpose:**

1. The purpose of this report is to provide Members with information on the revenue and capital outturn position of the Authority at the end of reporting period 3 which represents the financial outturn position for the 2017/18 financial year.
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.

##### **Recommendations Proposed To Cabinet**

1. That Members consider a net revenue outturn underspend of £653,000, an improvement of £694,000 on period 2 (month 7) outturn predictions.
2. Members consider a capital outturn spend of £46.8 million against a revised budget of £47.2 million, after proposed slippage of £11.8 million, resulting in a net underspend of £395k.
3. Considers the use of reserves proposed in para 3.7.1,
4. Supports the apportionment of general underspend in supplementing reserve levels as described in para 3.7.3 below, i.e.:

Priority Investment Fund £155k  
Capital Receipts Generation Reserve £50k  
Balance Invest to Redesign Reserve £448k  
Total £653k

5. Members note that the low level of earmarked reserves will notably reduce the flexibility the Council has in meeting the challenges of scarce resources going forward.
6. Members notes the extent of movements in individual school balances placing emphasis on schools to review the extent that recovery plans can be delivered over shortened timescales,

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of Economy and Development Select Committee held at The Council Chamber, County Hall, Rhadyr, Usk, NP15 1GA on Thursday, 19th July, 2018 at 10.00 am

and appreciates a net use of balances of only £94k instead of the original budgeted intention of schools to draw on balances by £877k.

#### **Member Scrutiny:**

The Assistant Finance/Section 151 Officer presented the report and invited questions:

A Member asked about progress with the budget at Chepstow School and was informed that a recovery plan was put in place and the Headteacher, Governors and Bursar worked together to outperform the recovery plan ending the year with an £180,000 surplus. Comparisons were drawn with the deficit positions of the other three secondary schools. Recovery plans will be used to manage the situation back to surplus position.

The Chair referred to a recent robust scrutiny session with the Chief Officer, Resources regarding the procurement strategy mentioning the savings listed in this report being relatively small. It was noted that savings of £100,000 for procurement were not met and questioned what other challenges are expected. It was queried how to make changes and what potential there is to drive savings from procurement. It was explained that there have been lessons learned and ways to make savings will be reviewed. It was agreed that there needs to be a focus on managing commissioning.

A Member asked if there was extra capacity to assist with addressing this matter and suggested that expertise is used collaboratively. It was explained that Officers involved in procurement have tended to be involved in repair and building, and a broader expertise is necessary. A Working group across the Council was recommended.

A Member commented that there didn't appear to be a system to map spending.

A Member congratulated Chepstow School on its recovery from a deficit budget and recognised the Assistant Finance Officer's input. It was explained that the financial responsibility rests with the Governors, and was successfully delegated to the Headteacher, Staff and School Bursar.

It was questioned if there was scope for a suggestion scheme to tap into staff members' innovation. It was responded that the Council welcomes engagement.

#### **Committee Conclusion:**

In considering the report, the suggestion of a working group across the Council was recommended to focus on procurement and the management of commissioning.

The report and recommendations proposed were supported and it was agreed and that they are presented to Cabinet.

#### **10. List of actions arising from the previous meeting.**

The list of actions from the previous meeting was noted.

#### **11. Economy and Development Select Committee Forward Work Programme.**

The Forward Work Programme was noted.

## MONMOUTHSHIRE COUNTY COUNCIL

### **Minutes of the meeting of Economy and Development Select Committee held at The Council Chamber, County Hall, Rhadyr, Usk, NP15 1GA on Thursday, 19th July, 2018 at 10.00 am**

It was proposed that the meeting scheduled for 27<sup>th</sup> September 2018 is longer to accommodate adequate scrutiny of:

- Welsh Government - Broadband
- ADM

It was noted that Velothon has agreed to scrutiny on the most recent event and our investment at a subsequent meeting.

A Member queried if there was any work on the impact of the event. It was clarified that Velothon has been asked to provide a detailed analysis. Another Member provided information about the financial impact of the event on businesses in Usk.

#### **12. Council and Cabinet Business Forward Work Programme.**

The Forward Work Programme was noted. The importance of Officers populating the planner was emphasised

#### **13. Next Meeting.**

Thursday 27<sup>th</sup> September 2018 at 10.00am.

**The meeting ended at 1.02 pm**