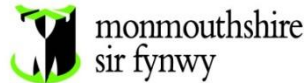


Public Document Pack



Neuadd y Sir
Y Rhadyr
Brynbuga
NP15 1GA

County Hall
Rhadyr
Usk
NP15 1GA

Tuesday, 23 February 2021

Dear Councillor

CABINET

You are requested to attend a **Cabinet** meeting to be held remotely on **Wednesday, 3rd March, 2021**, at **2.00 pm**.

AGENDA

1. Apologies for Absence
2. Declarations of Interest
3. To consider the following reports (Copies attached):
4. SOCIAL JUSTICE STRATEGY 1 - 122

Division/Wards Affected: All

Purpose: Further to the approval of the second phase of the Social Justice Strategy by Cabinet in [July 2019](#), Members are asked to consider the third phase revision of the Social Justice Strategy which now takes a more targeted approach and includes the insertion of the following individual targeted Action Plans namely:

- Tackling Poverty and Inequality Action Plan;
- Food Development Action Plan; and
- Homeless Transition Plan

Authors: Cath Fallon (Head of Enterprise and Community Animation)
Jude Langdon (Tackling Poverty and Inequality Manager)
Deserie Mansfield (Rural Programme Food Development Officer)
Ian Bakewell (Housing and Communities Manager)

Contact Details: cathfallon@monmouthshire.gov.uk/
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deseriemansfield@monmouthshire.gov.uk
ianbakewell@monmouthshire.gov.uk

5. REPORT TO FEDERATE THE GOVERNING BODIES OF KYMIN VIEW AND LLANDOGO PRIMARY SCHOOLS 123 - 174

Division/Wards Affected: Wyesham, Llandogo, Trellech

Purpose: To conclude the statutory process on the proposal to federate the Governing Bodies of Kymin View Primary School and Llandogo Primary School.

Author: Sharon Randall-Smith – Head of Service Children and Young People Directorate.

Contact Details: SharonRandall-Smith@monmouthshire.gov.uk

6. 2021/22 EDUCATION AND WELSH CHURCH TRUST FUNDS INVESTMENT AND FUND STRATEGIES 175 - 216

Division/Wards Affected: All

Purpose: The purpose of this report is to present to Cabinet for approval the 2021/22 Investment and Fund strategy for Trust Funds for which the Authority acts as sole or custodian trustee for adoption and to approve the 2021/22 grant allocation to Local Authority beneficiaries of the Welsh Church Fund.

Authors: Dave Jarrett – Senior Accountant Business Support; Nicola Wellington – Children & Young People Finance Manager

Contact Details: davejarrett@monmouthshire.gov.uk

7. EDUCATION ACHIEVEMENT SERVICE (EAS) BUSINESS PLAN 2021-2022 (2nd draft for consultation) 217 - 248

Division/Wards Affected: All

Purpose: This report asks for members to consider the full contents of the draft EAS Business Plan 2021-2022, as part of the regional consultation process. Through this activity members will ensure that the plan enables appropriate support for schools and settings in Monmouthshire.

Author: Debbie Hartevelde (Managing Director EAS)

Contact Details: ed.pryce@sewaleseas.org.uk

8. REVENUE & CAPITAL MONITORING 2020/21 FORECAST OUTTURN STATEMENT - MONTH 9 249 - 298

Division/Wards Affected: All

Purpose: To provide Members with an updated forecast of the revenue and capital outturn position for the current financial year.

To provide an update on the financial impact of COVID-19 on the Council.

Author: Peter Davies, Chief Officer for Resources
Jonathan Davies, Acting Assistant Head of Finance (Deputy S151 officer)

Contact Details: peterdavies@monmouthshire.gov.uk

9. FINAL REVENUE AND CAPITAL BUDGET PROPOSALS

299 - 344

Division/Wards Affected: All

Purpose: To update Cabinet with the consultation responses to the draft budget proposals issued by them on the 20th January in respect of the Capital and Revenue budgets for 2021/22.

To update members with implications arising from the Provisional Local Government Settlement announcement of the Welsh Government as well as providing update with regards to the awaited Final Settlement announcement.

To make recommendations to Council on the Capital and Revenue budgets and level of Council Tax for 2021/22.

To receive the Responsible Financial Officer's Prudential Indicator calculations for capital financing.

To receive the statutory report of the Responsible Financial Officer on the budget process and the adequacy of reserves.

Author: Peter Davies – Chief Officer for Resources (S151 officer)

Contact Details: peterdavies@monmouthshire.gov.uk

Yours sincerely,

**Paul Matthews
Chief Executive**

CABINET PORTFOLIOS

County Councillor	Area of Responsibility	Partnership and External Working	Ward
Peter A. Fox (Leader)	<p>Whole Authority Strategy & Direction Lead Officer – Chief Executive</p> <p>CCR Joint Cabinet & Regional Development; Organisation overview; Regional working; Government relations; Public Service Board lead; WLGA lead</p>	<p>WLGA Council WLGA Coordinating Board Public Service Board</p>	Portskewett
Robert J.W. Greenland (Deputy Leader)	<p>Enterprise and Land Use Planning Lead Officer – Frances O’Brien Support Officers – Mark Hand, Cath Fallon</p> <p>Local Development Plan; Strategic Development Plan; Economic Resilience and Growth; Town Centre Investment and Stewardship; Development Management and Building Control; Housing Delivery</p>	<p>WLGA Council Capital Region Tourism</p>	Devauden
Paul Jordan	<p>Governance and Law Lead Officers – Matthew Gatehouse, Matthew Phillips, Ian Saunders</p> <p>Council & Executive decision making; Constitution review and implementation of change; Law, Ethics & Standards; Audit and Regulatory WAO Relations Support for Elected Members Democracy promotion & citizen engagement Whole Authority Performance; Whole Authority Service Planning & Evaluation Community Hubs and Contact Centre Community Learning Tourist Information / Museums / Theatre / Attractions</p>		Cantref
Richard John	<p>Children & Young People and MonLife Lead Officers – Will McLean, Ian Saunders Support Officers – Nikki Wellington, Sharon Randall-Smith, Richard Simpkins</p> <p>Early Years Education</p>	<p>Joint Education Group (EAS) WJEC</p>	Mitchel Troy

	<p>All Age Statutory Education Additional Learning Needs; School Inclusion Post 16 entitlement / offer</p> <p>School standards and Improvement; Education Achievement Service Commissioning Coleg Gwent and University liaison. Leisure / Sport Outdoor education / Duke of Edinburgh Active Travel Countryside / Biodiversity</p>		
Penny Jones	<p>Social Care, Safeguarding & Health Lead Officer – Julie Boothroyd Support Officers – Eve Parkinson, Jane Rodgers</p> <p>Children’s Services Fostering & Adoption; Youth Offending Service; Adults Services Whole Authority Safeguarding (children & adults); Disabilities; Mental Health; Health liaison.</p>		Raglan
Philip Murphy	<p>Whole Authority Resources Lead Officer – Peter Davies, Frances O’Brien Support Officers – Deb Hill-Howells, Sian Hayward, Tracey Harry, Mark Howcroft</p> <p>Finance; Information technology (SRS); Digital Programme Office Human Resources; Health & Safety; Emergency Planning; Procurement; Land & Buildings (inc. Estate, Cemeteries, Allotments, Farms); Vehicle Fleet / Passenger Transport Unit Property maintenance; Facilities Management (inc. Building Cleaning and Catering all ages)</p>	Prosiect Gwrydd	Caerwent
Jane Pratt	<p>Infrastructure and Neighbourhood Services Lead Officer – Frances O’Brien Support Officers – Roger Hoggins, Carl Touhig, Nigel Leaworthy, Mark Hand, Paul Keeble</p> <p>County Roads / Pavements South Wales Trunk Road Agency</p>	SEWTA Prosiect Gwrydd	Goytre Fawr

	<p>Highways Maintenance, Transport, Traffic & Network Management, Car Parks / Illegal Parking Enforcement Whole Authority De-carbonisation Plastic Free Monmouthshire Waste / Recycling / Cleansing Grounds Maintenance Parks & Open Spaces/ Public Conveniences Flood Prevention / Management / SUDs</p>		
Sara Jones	<p>Social Justice & Community Development Lead Officer – Frances O’Brien Support Officers – Cath Fallon, David Jones, Ian Bakewell, Mark Hand</p> <p>Rural Deprivation / Isolation; Digital Deprivation Poverty / Disadvantage Homelessness; Supporting People Community Safety / Equality and welsh Language / Public Relations; / Communications / Marketing Trading Standards / Environmental Health; Licensing; Registrars</p>		Llanover

Aims and Values of Monmouthshire County Council

Our purpose

Building Sustainable and Resilient Communities

Objectives we are working towards

- Giving people the best possible start in life
- A thriving and connected county
- Maximise the Potential of the natural and built environment
- Lifelong well-being
- A future focused council

Our Values

Openness. We are open and honest. People have the chance to get involved in decisions that affect them, tell us what matters and do things for themselves/their communities. If we cannot do something to help, we'll say so; if it will take a while to get the answer we'll explain why; if we can't answer immediately we'll try to connect you to the people who can help – building trust and engagement is a key foundation.

Fairness. We provide fair chances, to help people and communities thrive. If something does not seem fair, we will listen and help explain why. We will always try to treat everyone fairly and consistently. We cannot always make everyone happy, but will commit to listening and explaining why we did what we did.

Flexibility. We will continue to change and be flexible to enable delivery of the most effective and efficient services. This means a genuine commitment to working with everyone to embrace new ways of working.

Teamwork. We will work with you and our partners to support and inspire everyone to get involved so we can achieve great things together. We don't see ourselves as the 'fixers' or problem-solvers, but we will make the best of the ideas, assets and resources available to make sure we do the things that most positively impact our people and places.

SUBJECT:	SOCIAL JUSTICE STRATEGY (REVISION)
MEETING:	CABINET
DATE:	3RD MARCH 2021
DIVISION/WARDS AFFECTED:	ALL

1. PURPOSE:

- 1.1 Further to the approval of the second phase of the Social Justice Strategy by Cabinet in [July 2019](#), Members are asked to consider the third phase revision of the Social Justice Strategy which now takes a more targeted approach and includes the insertion of the following individual targeted Action Plans namely:
- Tackling Poverty and Inequality Action Plan;
 - Food Development Action Plan; and
 - Homeless Transition Plan

2. RECOMMENDATIONS:

- 2.1 Cabinet to approve the revised Social Justice Strategy (Appendix A) and associated Action Plans (Appendix B, C and D)

3. KEY ISSUES:

- 3.1 In May 2018, the Social Justice Strategy was produced to demonstrate the Council's commitment to addressing inequalities in our county in order to make our society function better. Using the Community and Partnership Development Team as an enabling body, it provided an approach to help turn lives around, by removing barriers and facilitating practical support and solutions to enable all our citizens to realise their full potential.
- 3.2 The aim of the Social Justice Strategy has always been '*To put Social Justice at the heart of what we do*' and over the past three years the Strategy has set out a broad programme of work to help to make a real difference to the lives of local people by working in partnership.
- 3.3 The Commitments made in the Strategy have therefore focused and continue to focus on the following:
- Enabling connected and caring communities supporting people to live independently;
 - Delivering on social justice, better prosperity and reducing inequality; and
 - Enabling better local services through supporting volunteers and social action
- 3.4 All of this has aligned with the Public Service Board priorities and aspirations:
- To reduce inequalities between communities and within communities;
 - To support and protect vulnerable people; and
 - To consider our impact on the environment.
- 3.5 However, this has always been an evolving strategy and in this third phase, the Strategy details our response to what has been without doubt, the most demanding year for community support, when the UK went into lockdown in March 2020 as a result of the Covid 19 pandemic. As a result, the Council had to pivot its Community Service delivery model. In light of the service changes required for 2020, this revised Social Justice Strategy sets out how the Strategy has evolved, the new direction for the Strategy and for the Council's

Service areas in particular the Community Support Network (which forms part of the Community and Partnership Development Team's activities). The Strategy also demonstrates our continuing commitment to work as a Council, and in partnership, at national, regional and local community level, to implement the policy interventions, approaches, support and methods to improve outcomes for people and communities.

- 3.6 Whilst the Aim of the Strategy will remain the same i.e. '*To put Social Justice at the heart of what we do*' rather than a broad programme of work, this third phase of the Strategy will provide policy coherence for a number of targeted individual Action Plans. These Action Plans have been produced following consideration of the rapidly changing societal picture due to the negative consequence of the Covid 19 pandemic, and will continue to help promote equitable prosperity in Monmouthshire.

3.7 Tackling Poverty and Inequality Action Plan

- 3.7.1 It has long been recognised that within Monmouthshire, poverty is often regarded as a 'hidden' issue, however the effects of the Covid 19 pandemic-related economic downturn have thrown the issue into very sharp focus. In July 2020, Members resolved to create two dedicated roles to lead and coordinate the Tackling Poverty and Inequality agenda for Monmouthshire. Since then the appended revised Tackling Poverty and Inequality Action Plan has been developed to support the progression of the Council's work on this agenda.
- 3.7.2 The Council recognises, however, that its ability to make substantial progress on this agenda when acting in isolation is limited. Like other aspects of the county's Wellbeing Plan, poverty and inequality are complex problems which cut right across the remit of the public services and beyond. This plan will therefore also be considered by the Public Service Board, seeking a commitment to working in partnership to deliver on its objectives.
- 3.7.3 Poverty is also included as part of the impact assessments undertaken on all Council policy decisions – ahead of the new Socio-economic Duty, which will come into force in April 2021, alongside developed cumulative impact assessments of the Council's annual budget process looking at the combined impact of budget decisions on different households. The Socio-economic Duty will require the Council to consider how our decisions might help reduce the inequalities associated with socio-economic disadvantage when making strategic decisions such as deciding priorities and setting objectives.
- 3.7.4 The Shared Purpose of the Plan therefore is: "*We will work together to promote equitable prosperity in Monmouthshire and wherever possible to prevent our citizens experiencing poverty. We recognise that, despite our efforts, there will be points in people's lives at which they experience financial hardship. When this does occur we will come together to provide support to make that experience as brief, as infrequent and as manageable as possible. We will help people to emerge from that experience with greater levels of resilience.*"
- 3.7.5 In light of the Covid 19 crisis, the emerging priorities will focus initially upon the following, whilst recognising that the challenge will be to build sufficient humanity into the system to understand that when people are under financial stress they are often not at their most rational:
- Employability skills and employment support;
 - Children and young people disadvantaged by poverty;
 - Mental health / emotional support / coping skills;
 - Inequality - the particular character of poverty within a relatively affluent county; and
 - Crisis prevention: helping people to access support at earliest opportunity, and support to navigate available offer.

3.7.6 In addition, there are two further themes which will be weaved throughout these priorities. These are:

- Housing, because a secure, high quality home underpins every other aspect of a person's wellbeing. This seeks to make a specific link and contribute to the supporting current homeless need in Monmouthshire ; and
- Community development and co-production, because lasting solutions can only be developed if the 'subjects' of interventions are empowered, involved and are able to exercise real agency in their own lives.

3.7.7 Full details of the activities and key performance indicators for the Tackling Poverty and Inequality Action Plan can be found in Appendix B.

3.8 Food Development Action Plan

3.8.1 Although referred to as the 'Food Capital of Wales' due to its excellent reputation for quality food and drink, the appended Food Development Action Plan, the first of its kind for Monmouthshire, seeks to address the issues which exist within the local food sector namely:

- A lack of continuity, volume, quality and connectivity in local food supply chains;
- A lack of infrastructure and strategic coherence in sustainable land use and food production to help the County to supply and sustain itself;
- A lack of opportunities to bring smaller producers into the current 'public plate' offer due to their current inability to provide continuous volume, at a competitive price;
- Current public sector procurement pricing strategies focusing on value for money rather than local wealth creation;
- A demonstrable increase in food poverty and food insecurity exacerbated by Covid 19;
- A need to address the decarbonisation agenda through a reduction in food miles and a greater focus on the sustainable food agenda.

3.8.2 The vision for the proposed Food Development Action Plan is to: '*Increase the variety and equitable access to locally produced food for Monmouthshire's communities*' and a range of actions have been identified that seek to address issues identified above alongside the consideration of existing market development opportunities, for example:

- Bringing new food products to market in Monmouthshire as well as diverting some of the raw commodity (meat, milk, vegetables, fruit and possibly grain) away from the mainstream supply chain to the Monmouthshire plate;
- Trialing new product development to access wider markets by adding value to primary local products; and
- Educating and informing local residents and visitors of the benefits of locally produced, accessible and affordable food.

3.8.3 A number of actions and measures have been developed within the Food Development Action Plan (Appendix C) which will seek to improve the continuity, volume, range and quality of locally grown produce within the County, focusing on the following guiding principles:

- Building sustainable, local economic growth through the provision of support for local food businesses and sharing of intelligence to help boost local procurement opportunities and create more jobs;

- Improving diversity and usage of land for food production to improve self-sufficiency whilst conserving and enhancing our natural resources;
- Considering how food is produced, packaged, distributed and disposed of in order to reduce waste, energy consumption and increase recycling and composting; and
- Improving food security and the health and wellbeing of Monmouthshire residents through increasing the availability of fresh, local, affordable produce.

3.8.4 The Plan will also serve to provide strategic context and direction, in improving sustainable land use and food production in the County, building on the ambition of Monmouthshire's Climate Emergency Strategy, key National and Local Partnership agreements, whilst working alongside the Tackling Poverty and Inequality Action Plan in addressing food insecurity and food poverty.

3.9 Homeless Transition Plan

3.9.1 During the pandemic, the level of demand for homelessness accommodation has increased as the Council is required by Welsh Government to ensure nobody has to sleep rough or is at risk of sleeping rough. The Council has particularly seen an increase in citizens not being able to stay with family or friends. Welsh Government (WG) Phase 2 Planning Guidance for Homelessness and Housing Related Support sets out their future homeless policy intentions by implementing a three phase plan:

- Phase 1: March to August 20 – Covid-19 crisis management
- Phase 2: July 20 to March 21 – Response to crisis and transition
- Phase 3: January 21 to March 22 – Move to 'New Norm' (Vision)

3.9.2 The 'New Norm' continues to require homeless prevention to be the priority. But where prevention isn't achievable, homelessness should be brief and non-repeated. The core of the Welsh Government policy is rapid rehousing and to provide long-term accommodation with support if needed, to help people retain it and to thrive. The Phase 2 Guidance therefore requires the Council to:

- Continue to support those placed in temporary accommodation and anyone still to be placed
- Prepare a Homeless Transition Plan setting out the provision of more sustainable accommodation (Appendix D).
- Improve the quality and availability of temporary, permanent, semi-permanent and supported accommodation with an emphasis on the provision of self-contained accommodation and a range of different types.

3.9.3 A summary overview of the current situation as at February 2021 is as follows:

- The use and necessity to provide temporary accommodation continues to increase. At 1st February 2021 there were 130 households (mainly single people) in temporary accommodation who need moving to other accommodation. This includes 73 households in B & B accommodation;
- Many of these applicants need specialist accommodation and specialist housing support, which largely hasn't been available in Monmouthshire;
- Arising issues with placements is not uncommon and the risk of placement breakdown is relatively high. Unfortunately, not all support needs can be currently met through the existing Housing Support Grant Programme (there is a need to re-commission, which is

scheduled for April 2023). This has been compounded by both internal and external staff limitations, typically Covid related e.g. self-isolating staff. Although some mitigating action has been taken through some additional temporary staffing.

3.9.4 On the basis of the current situation, anticipated future demand and the requirements of Welsh Government guidance, the need for the following has been identified:

- Rapid re-housing for all homeless applicants (typically approximately 25% of vacant general needs properties have previously been made available to homeless applicants);
- Housing First accommodation and support for eight applicants (has not been available until very recently through Phase 2 Grant funding, but two of the eight have been accommodated to date);
- Emergency multiple needs supported accommodation in the North and South (interim arrangement in the North in place, facilitated by a non-specialist 'concierge type' presence);
- Young Persons supported accommodation for those with higher needs that can't be accommodated in existing accommodation (not currently available);
- Step-down accommodation for young people as their needs reduce (not currently available);
- Self-contained emergency family accommodation (not currently available, although four units are due to become imminently available);
- Dedicated Homeless Move-on accommodation (e.g. permanent) to ensure the Council meets the 'rapid-rehousing' requirements. Not available beyond day to day turnover of social housing;
- Assertive Outreach support for those without accommodation e.g. rough sleepers, sofa surfing (interim arrangement in place through Phase 2 Grant funding);
- Dedicated temporary accommodation support to help applicants manage their accommodation and minimise placement breakdown (an interim goodwill arrangement is in place with a support provider);
- Intensive re-settlement support to help applicants to move into permanent accommodation and provide reassurance to landlords (an interim goodwill arrangement is in place with a provider);
- Substance misuse support (a temporary Phase 2 Grant funded arrangement is in place until 31st March 2021). Substance misuse is often a factor relating to placement breakdown;
- Additional mental health support. Mental health is often a factor relating to placement breakdown;
- The need for the homeless service delivery to be based on a psychologically and trauma informed service (not currently in place);

Other issues to be addressed:

- With the exception of the emergency family accommodation in Monmouth, the Council's temporary accommodation has a generic designation. Nor is it supported. Much of the accommodation is shared as oppose to having self-contained facilities.
- There is no consistent standard applied to the Council's accommodation.

3.9.5 The Council's Phase 2 Homeless Transition Plan seeks to address the identified issues listed above. A request for Phase 2 Homeless grant funding was made to Welsh Government in June 2020 to help facilitate a number of the proposals, which are all now operational. Whilst this funding is welcomed, its availability only supports the Council until 31st March 2021. An uplift by Welsh Government to the Council's Housing Support Grant

allocation will enable the Council to maintain the Phase 2 Grant funded projects to continue beyond 1st April 2021.

3.10 Next Steps

- 3.10.1 The Tackling Poverty and Inequality Action Plan, the Food Development Action Plan and the Homeless Transition Plan provide details of the proposed activities for the next two years and the targets by which we will measure our success to assist us in achieving our goal – putting social justice at the heart of what we do in Monmouthshire.
- 3.10.2 It is also the ambition to develop two additional Action Plans in 2021 namely the Mental Health/Well-being/Social Isolation Action Plan and the Digital Inclusion Action Plan.

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

- 4.1 The assessment of Equality and Future Generations Evaluation (Appendix E) is summarised below for Members' consideration:

This Strategy provides the strategic context to ensure that we keep the community at the heart of what we do by taking a 'place based approach', working with communities to identify their own strengths and areas for development and well-being. The Strategy advocates the bringing together of public services, community leaders, business, schools and all residents to address the issues that matter to that community. By working together around a place, the Strategy can provide the context to ensure that we achieve so much more than individual partners and community groups working in isolation. Bringing together support networks, aligning resources and assets, funding, development opportunities and people with a common sense of purpose, will really help to build sustainable and resilient communities. By working collaboratively with the people who live and work locally, we will seek to highlight the strengths, capacity and knowledge of those involved for the greater good.

5 OPTIONS APPRAISAL

- 5.1 As part of the consultation and appraisal process each of the individual Action Plans have been scrutinised by Strong Communities Select Committee and the Homeless Transition Plan has also been scrutinised by Adult Select Committee. In addition, the Tackling Poverty and Inequality Action Group have considered and will oversee the delivery of the Tackling Poverty and Inequality Plan whilst the Monmouthshire Food Partnership will consider the delivery of the Food Development Action Plan.
- 5.2 This is Phase Three of an evolving Strategy and given its importance, the Social Justice Advisory Group will continue to meet regularly to oversee and direct its implementation. Amongst the Terms of Reference for the Advisory Group is an evaluation of progress which will be reported back to Strong Communities, which in turn will make recommendations of any proposed changes to Cabinet.

6 REASONS:

- 6.1 This revised Phase Three of the Social Justice Strategy, sets out our purpose, intentions and activities for the next two years and the targets by which we will measure our success. Whilst the Aim of the Strategy will remain the same i.e. 'To put Social Justice 'at the heart of what we do' this third phase of the Strategy provides policy coherence for targeted individual action plans namely the Tackling Poverty and Inequality Action Plan, the Food Development Action Plan and the Homeless Transition Plan. These plans have been produced following consideration of the recently changing societal picture as a direct result

of the Covid 19 pandemic and will continue to help promote equitable prosperity in Monmouthshire.

7 RESOURCE IMPLICATIONS:

7.1 The activities associated with the Tackling Poverty and Inequality Action Plan and the Food Development Action Plan will be absorbed into existing budgets. When the opportunity arises, grant funding applications will be submitted to augment or enhance activities. Consideration will also be given to the establishment of a cross directorate Social Justice Budget so that a more targeted approach to addressing social justice ambitions can be achieved.

7.2 With particular reference to the Homeless Transition Action Plan, there is a need to maintain the Phase 2 Revenue Grant funded services and it is proposed that the projects listed in Paragraph 3.9.4 are absorbed into the Housing Support Grant programme for 2021/22. This can be facilitated through available Housing Support Grant following an uplift of the Council's grant allocation to £2,783,815. The said uplift will also fund a number of new services that will enhance the available homeless related housing support. The additional services are:

- Rapid Prescribing x 10 Places
- Re-modelling of Young Persons Supported Housing to include move-on accommodation
- Floating Mental Health Support Worker x 1
- Social worker (to support services, managing high risk clients and preventing them entering statutory services) x 1
- Regional Prison Leavers Project and Domestic Abuse Perpetrator Project
- Multiple Needs supported accommodation for the North of Monmouthshire (subject to the available balance from the uplift)

7.3 The Homeless Transition Plan proposes other actions which will have either revenue (e.g. staffing changes) or capital (e.g. hostel reconfiguration) resource implications. The revenue implications are being managed through the Council's Budget Pressures Mandate 2021/22 process. Potential decisions on capital proposals will be taken separately in line with the Council's Standing Orders and approvals arrangements.

8 CONSULTEES:

Senior Leadership Team;

Cabinet;

Social Justice Advisory Group;

Strong Communities and Adult Select Committees;

Tackling Poverty and Inequality Action Group; and

Monmouthshire Food Partnership

9 BACKGROUND PAPERS:

Updated Social Justice Action Plan (Appendix A)

Tackling Food and Inequality Action Plan (Appendix B)

Food Development Action Plan (Appendix C)

Homeless Transition Plan (Appendix D)

Future Generations Evaluation (Appendix E)

10 AUTHORS:

Cath Fallon (Head of Enterprise and Community Animation)
Jude Langdon (Tackling Poverty and Inequality Manager)
Deserie Mansfield (Rural Programme Food Development Officer)
Ian Bakewell (Housing and Communities Manager)

11 CONTACT DETAILS:

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Future Generations Evaluation

(includes Equalities and Sustainability Impact)

Name of the Officer Cath Fallon Phone no: 07557 190969 E-mail: cathfallon@monmouthshire.gov.uk	Social Justice Strategy Phase Three Update
Name of Service: Enterprise and Community Animation	Date: Future Generations Evaluation 2 nd February 2021

NB. Key strategies and documents that may help you identify your contribution to the wellbeing goals and sustainable development principles include: Single Integrated Plan, Continuance Agreement, Improvement Plan, Local Development Plan, People Strategy, Asset Management Plan, Green Infrastructure SPG, Welsh Language Standards, etc.

1. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group.	The purpose of this Strategy is to be inclusive to all therefore no negative impacts are anticipated in relation to this particular group.	Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.
Disability	Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,	As above	As above
Gender reassignment	Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,	As above	As above




Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Marriage or civil partnership	Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,	As above	As above
Pregnancy or maternity	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Race	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Religion or Belief	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Sex	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Sexual Orientation	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Welsh Language	<i>Each new proposal will need to be assessed individually to consider if it impacts disproportionately on any particular group,</i>	As above	As above
Poverty	<i>The Strategy provides the policy context for the Tackling Poverty and Inequality Action Plan detailed as an appendix to this Strategy.</i>	As per Age Line above	As per Age Line Above



2. Does your proposal deliver any of the well-being goals below?

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>This draft Strategy advocates:</p> <ul style="list-style-type: none"> Working as part of the Cardiff Capital Region to attract high skill, high wage jobs; Providing learning, training and employability opportunities for 11 to 24 year olds to reduce the number of young people who are not in employment, education or training and providing access to the labour market for people with disabilities and care leavers Developing, and acting upon, options to improve access to job opportunities in the county to include providing work placements, traineeship and apprenticeship opportunities. 	<p>Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.</p>
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>This Strategy advocates taking a place based approach, working with the community to ensure local biodiversity and ecosystems are enhanced and maintained.</p>	<p>Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.</p>
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>This Strategy advocates developing a collaborative approach to wellbeing to ensure direction setting and oversight of wellbeing in Monmouthshire is informed by those closest to delivery.</p>	<p>Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.</p>
<p>A Wales of cohesive communities Communities are attractive, viable, safe and well connected</p>	<p>The Strategy sets the scene for provision to be community based with the flexibility to respond to local need.</p>	<p>Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come</p>

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
		through subsequent evaluations of the Strategy as specific actions are developed under the objectives.
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	The Strategy sets the scene to ensure high standards are met and maintained that do not conflict with the global drivers.	Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	Equality and diversity is the key to this Strategy and as such will be integral to all aspects of the delivery programme.	Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.
A more equal Wales People can fulfil their potential no matter what their background or circumstances	Equality and diversity is key to this Strategy and as such will be integral to all aspects of the delivery programme.	Where the Social Justice Strategy requires MCC decision, more specific details regarding contributions to the wellbeing goals will come through subsequent evaluations of the Strategy as specific actions are developed under the objectives.

3. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>This Strategy is defined by the outcome of the well-being assessment which identifies the priority areas we need to progress in delivering social justice in Monmouthshire. The exact priorities will differ in different communities, but across the County there is a commitment to:</p> <ul style="list-style-type: none"> • The best possible start in life; • Thriving and well-connected community; • Maximise the potential of the natural and built environment; • Lifelong well-being; • Future-focused Council <p>Activities associated with all of the above will focus on enabling the best future for all.</p>	<p>Individual proposals in this document are indicative at this stage. New programmes will be expected to produce a Future Generations Evaluation when they are brought to Cabinet or council for a decision.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>This Strategy seeks to address complex problems which cannot be solved by one organisation alone. Public services must work collaboratively. Public, third and private sector must work together. And, most importantly, we must support people and communities in developing their own solutions that are sustainable and which can deliver both immediate and long-term benefits.</p>	<p>New programmes will be expected to produce a Future Generations Evaluation when they are brought to Cabinet or council for a decision.</p>
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>The provision will be place based and as such will be able to engage with communities at a local level and respond to localised need.</p>	<p>New programmes will be expected to produce a Future Generations Evaluation when they are brought to Cabinet or council for a decision.</p>

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Putting resources into preventing problems occurring or getting worse</p> <p>Prevention</p>	<p>This Strategy advocates working as part of the Cardiff Capital Region to attract high skill, high wage jobs to ensure that people have the opportunity to raise their household income. It also looks to identify options to improve access to job opportunities in the county and other areas to include providing work placements, traineeship and apprenticeship opportunities whilst taking positive action as a Council to encourage other public partners and businesses to do so.</p>	<p>New programmes will be expected to produce a Future Generations Evaluation when they are brought to Cabinet or council for a decision.</p>
 <p>Considering impact on all wellbeing goals together and on other bodies</p> <p>Integration</p>	<p>The opportunity to develop a new way of delivering the place based offer and sustaining long term activity will provide the opportunity to better connect wellbeing outcomes internally and to other partners and bodies.</p>	<p>New programmes will be expected to produce a Future Generations Evaluation when they are brought to Cabinet or council for a decision.</p>

Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Social Justice, Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Social Justice	<p><i>This Strategy sets out the policy position and strategic context for Social Justice activities within the Council.</i></p>	<p>The purpose of this Strategy is to be inclusive to all therefore no negative impacts are anticipated.</p>	<p>Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.</p>
Safeguarding	<p><i>During the delivery of the programme of activities associated with the Strategy, safeguarding will be at the forefront to ensure that any future service delivery promotes the well-being of children and vulnerable adults, preventing them from being harmed and protecting those who are at risk of abuse and neglect.</i></p>	<p>The purpose of this Strategy is to be inclusive to all therefore no negative impacts are anticipated in relation to this particular activity.</p>	<p>Where any negative impacts are identified the team will seek to address them by taking an inclusive approach.</p>
Corporate Parenting	<p><i>During the delivery of this policy the needs of any 'looked after' children will be considered to ensure any future service delivery protects their welfare.</i></p>	As above	As above

5. What evidence and data has informed the development of your proposal?

This policy is founded upon the following:

- The Wellbeing of Future Generations Act;
- The Social Services and Wellbeing (Wales) Act;
- Prosperity for All;
- The Well-being Assessment and the Population Needs Assessment;
- Equality Act 2010;
- The Equality and Human Rights Commission’s “Is Wales Fairer 2018” report; and
- Welsh Language (Wales) Measure 2011

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

This Strategy provides the strategic context to ensure that we keep the community at the heart of what we do by taking a ‘place based approach’, working with communities to identify their own strengths and areas for development and well-being. The strategy advocates the bringing together of public services, community leaders, business, schools and all residents to address the issues that matter to that community. By working together around a place, this strategy can ensure that we achieve so much more than individual partners and community groups working in isolation. Bringing together support networks, aligning resources and assets, funding, development opportunities and people with a common sense of purpose, will really help to build sustainable and resilient communities. By working collaboratively with the people who live and work locally, we will seek to highlight the strengths, capacity and knowledge of those involved for the greater good.

7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress
Adopting changes as a result of the scrutiny process and amending the policy accordingly.	January 2018	Cath Fallon	
Approval of the Policy	May 2018	Claire Marchant/Cath Fallon	
Twelve month appraisal by Social Justice Advisory Group	February 2019	Frances O’Brien/Cath Fallon	

Consideration of the phase 3 update by Strong Communities Select	January 2021	Cath Fallon/Jude Langdon	
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8. MONITORING: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	February 2022.
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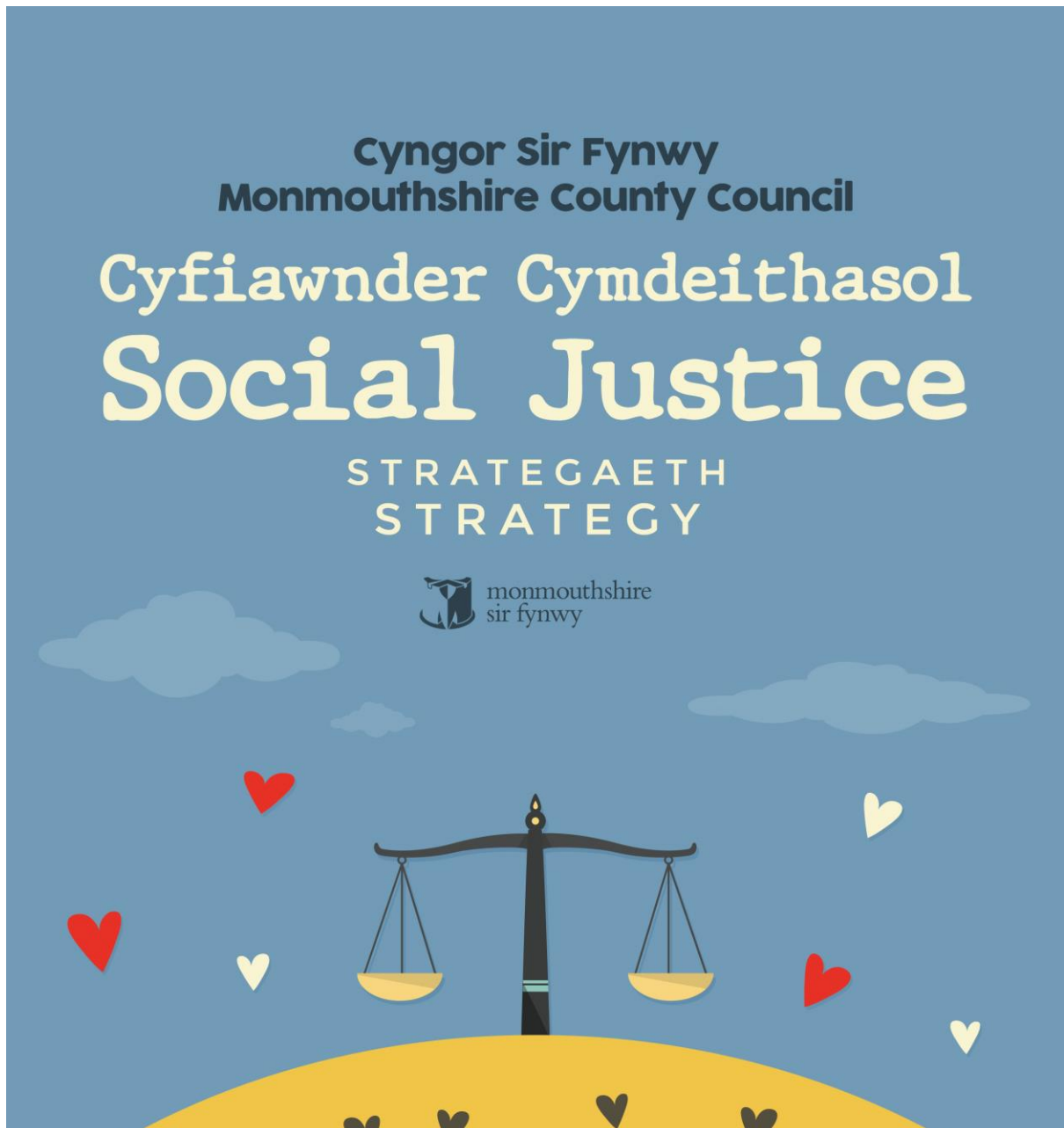
9. VERSION CONTROL: The Future Generations Evaluation should be used at the earliest stages of decision making, and then honed and refined throughout the decision making process. It is important to keep a record of this process so that we can demonstrate how we have considered and built in sustainable development wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration
Page 16 3 4	Scrutiny	11 th January 2018 29 th March 2018	<i>This will demonstrate how we have considered and built in sustainable development throughout the evolution of a proposal.</i>
	Cabinet	2 nd May 2018	Approved
	Cabinet	11 th July 2019	Approved
	Scrutiny	12 th January 2021	

Cyngor Sir Fynwy
Monmouthshire County Council

Cyfiawnder Cymdeithasol Social Justice

STRATEGAETH
STRATEGY



People, Place Prosperity
A Strategy for Social Justice
2017 – 2022 (Phase 3 March 2021)

Version Control

Title	People, Place, Prosperity: A Strategy for Social Justice
Purpose	To demonstrate the Council's continuing commitment to address inequalities in the county in order to make our society function better. Providing an approach that will help turn lives around by removing barriers and facilitating practical support and solutions to enable citizens to realise their full potential.
Owner	Chief Officer Enterprise
Approved by	Cabinet 2018, Update and approved July 2019.
Date	3 rd March January 2021
Version Number	0.6
Status	Update
Review Frequency	Annual
Next review date	January 2022
Consultation	PSB Partnerships; Strong Communities Select; All Members Seminars; Area Committees; Area Clusters; Access for All; Community Groups; Website; General Public Consultation

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Putting Social Justice.....at the **heart** of what we do in Monmouthshire

Monmouthshire County Council is committed to building sustainable and resilient communities. Central to this are the principles of social justice. A socially just society is one in which everyone's rights and dignity are equally respected, where all citizens are able to participate fully, and where nobody's life chances are held back for reasons that are beyond their personal control.

The current Administration have demonstrated their commitment to Social Justice through their appointment of a Cabinet Member for Social Justice and Community Development and this Social Justice Strategy, first produced in 2018, demonstrates how the Council will address inequalities in our county in order to make our society function better. It offers an approach that will help turn lives around by removing systemic barriers and facilitating practical support and solutions to enable our citizens to realise their full potential.

2. The Story So Far and our Next Steps

The Aim of this Social Justice Strategy has always been '**To put Social Justice at the heart of what we do**' and over the past two years the Strategy has set out a broad programme of work to help to make a real difference to the lives of local people by working in partnership.

The **Commitments** made in the Strategy have therefore focussed and continue to focus on the following:

- Enabling connected and caring communities supporting people to live independently;
- Delivering on social justice, better prosperity and reducing inequality; and
- Enabling better local services through supporting volunteers and social action

All of this has aligned with the Public Service Board priorities and aspirations:

- To reduce inequalities between communities and within communities;
- To support and protect vulnerable people; and
- To consider our impact on the environment.

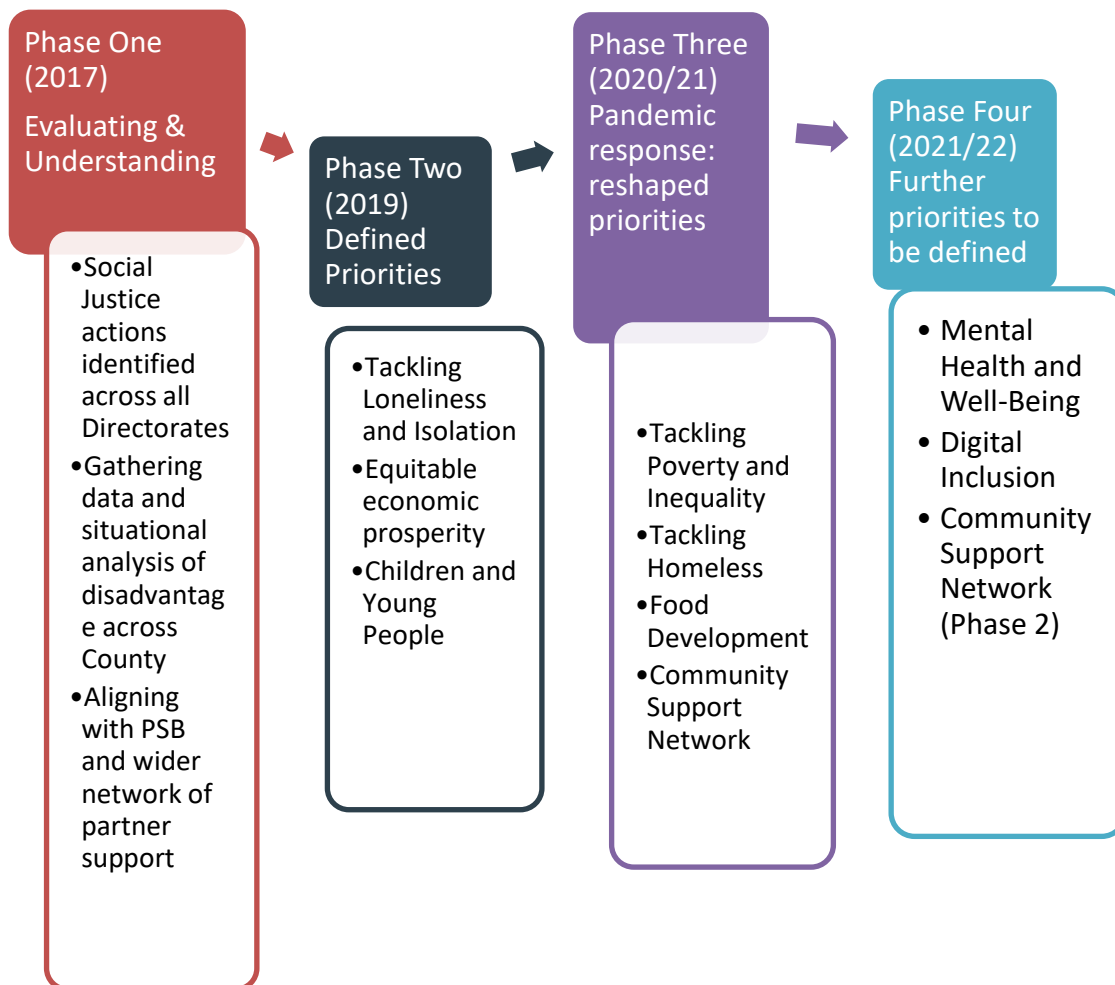
The Community Partnership and Development Team have also been the 'Engine Room' for the Social Justice movement in Monmouthshire 'the Bridge between

community needs and aspirations and the wider strategic priorities of the Council and its PSB partners’.

However, this has always been an evolving strategy and in this third phase, the Strategy details our response to what has been without doubt, the most demanding year for community support, when the UK went into lockdown in March 2020 as a result of the Covid 19 pandemic. As a result, the Council had to pivot its Community Service delivery model and in light of the service changes required for 2020, this Social Justice Strategy sets out how the Strategy has evolved and the new direction for the Strategy and the Council’s Service areas in particular the Community Support Network (an arm of the Community Partnership and Development Team). However, the Strategy also demonstrates our continuing commitment to work as a Council, and in partnership at national, regional and community level, to implement the policy interventions, approaches, support and methods to improve outcomes for people and communities.

Diagram One below details the history of the Social Justice Strategy to date and how the Strategy will evolve as we move forward:

Diagram One – The evolution of the Social Justice Strategy



3. Case Studies

Below are some case studies which provide some examples of some of the activities that have been undertaken to date as a result of taking a coordinated approach to Social Justice delivery:

Community Focused Schools: Sharing Social Capital

The Community Focused Schools pilot worked across the Chepstow cluster of schools to support schools to reach out into their communities, creating opportunities for children and young people to engage in local projects and also for members of the local community to share their skill, knowledge and passions across the cluster. The focus of the pilot was upon creating more equitable access to the social capital that some children are already fortunate enough to be exposed to.

Over sixty volunteers from the local community came forward offering to share their knowledge and professional networks. Examples of successful projects included a dance/theatre producer who worked with sixth form students to develop professional-level production skills, a local food producer who has come forward to share a programme of cookery skills with children and families, collaboration with partners to establish a new youth provision in Thornwell focused on supporting transition from primary to secondary school, and a successful funding bid to enable children to enjoy camping with their families within school grounds.

Following the successful pilot the approach is being offered across the county, integrated into the council's approach to tackling poverty and inequality.

Tackling Loneliness and Isolation: Owls and Acorns

Owls & Acorns started as a pilot scheme two years ago in Raglan Primary to bring together older people and children from foundation phase classes to enjoy arts, crafts and exercises for one and a half hours. This shared activity benefits both parties and the scheme has since expanded to include Usk Primary as well as Kymin View Primary and Osbaston Primary in Monmouth. Last year, the scheme was nominated for an Aneurin Bevan University Health Board staff recognition award and has been recognised in local and national media.

Instigated by occupational therapists and physiotherapists at Monmouthshire's integrated health and social care team based in Monmouth's Monnow Vale, the Owls and Acorns project benefitted from an additional £12,000 of funding from the National Lottery and Monmouthshire Housing Association in 2020.

When coronavirus lockdown measures are relaxed the Owls & Acorns team will return to work in Raglan, Usk and Monmouth, and in addition the cash boost will allow them to establish new projects in Monmouthshire where intergenerational opportunities are limited, either in line with existing schemes or in a manner that best fits new locations.

Tackling Poverty and Inequality: Supporting families through the summer holidays

Prior to Covid, free school meal provision did not normally extend through the school holidays and the problem of 'holiday hunger' had been highlighted by a number of charitable campaigning organisations. Several organisations within Monmouthshire had responded to this issue, offering their own bespoke programmes (including the MCC delivered School Holiday Enrichment Programme – or 'SHEP' – social landlord run community picnics, and projects run by local community groups).

Whilst each of these projects was valuable on its own terms, the Financial, Economic and Digital Inclusion Partnership (FEDIP) identified that there was considerable duplication in some areas, whilst other parts of the county were less well served. As a result of this, several partners collaborated for the first time to jointly provide expanded programmes which were able to provide breakfast clubs as well as family picnics whilst also connecting families with a range of additional support, such as employment and benefits advice.

4. Phase Three

Whilst the Aim of the Strategy will remain the same i.e. 'To put Social Justice at the heart of what we do' rather than a broad programme of work, this third phase of the Strategy will provide policy coherence for targeted individual action plans. The Action Plans have been produced following consideration of the recently changing societal picture as a direct result of the Covid 19 pandemic, however they will continue to help promote equitable prosperity in Monmouthshire.

The Strategy also demonstrates integration with the recently approved Strategic Equality Plan 2020-2024 and also follows a number of social justice guiding principles (possibly forming the basis of a pledge or charter in the future):

- Co-production /participation: working with our communities as equal partners and recognising them as experts in their own lives.
- Equity: ensuring people have what they need in order to be able to fairly access opportunities.
- Reducing disadvantage: removing the barriers that prevent people helping themselves and being able to live a good life.
- Inter-generational justice (including Ageing Well, CYP and future generations): ensuring that no-one is disadvantaged because of when they were born, whilst working to make sure that future generations have a life that is at least as good as we enjoy today.

The individual action plans now contained within the Strategy namely the Tackling Poverty and Inequality Action Plan, the Homeless Transition Plan and the Food Development Action Plan provide the detailed activities for the next two years and the targets by which we will measure our success to ensure that we achieve our goal – putting social justice at the heart of what we do in Monmouthshire. It is also the ambition to develop two additional action plans

in 2021 namely the Mental Health/Well-being/Social Isolation Action Plan and the Digital Inclusion Action Plan.

5. The Continuing Case for Change

Monmouthshire is often perceived to be leafy and affluent and in many aspects it is. However some of the differences within and between communities are stark, especially when they exist side-by-side. There are:

- wide variations in exam results between people from different social backgrounds who attend the same schools;
- Numerous high earners living in our County but wages available locally are lower than other parts of Wales with many people experiencing in-work poverty;
- Many of our citizens are getting older, suffering ill health and at risk of becoming lonely and isolated;
- The costs of living in our rural county and accessing very basic services, such as transport and health provision, are greater than the costs for people living in urban conurbations.

6. Evidence of Inequality

The Well-being Assessment and the Population Needs Assessment undertaken by the Council in March 2017 both highlighted the strengths and opportunities within our communities and used an extensive evidence base to draw out some of the challenges individuals and communities will face in the future. We also know that the effects of the pandemic have not been felt evenly across our population, with those who already experienced disadvantage likely to be most affected. The Joseph Rowntree Foundation characterise this with the saying that “we are all in the same storm, but we are not all in the same boat”. This differential impact requires that we revisit our social justice priorities to ensure that they are sharply focused on the area in which the need is greatest. For example:

- Over 9,000 people were furloughed in Monmouthshire during the first lockdown;
- During April and May 2020 claims for Universal Credit in the county more than doubled due to the high levels of self-employed;
- Sectors identified by the Resolution Foundation as being particularly at risk of job losses are accommodation, non-food retail, pubs and restaurants, and arts and leisure – all of which are significant local employment sectors;
- As at December 2020, 129 households were in temporary accommodation in Monmouthshire, many of them single people;
- Since March 2020, the level of housing association vacancies has dropped significantly due to tenants not moving and the availability of operatives to prepare voids ready for re-letting;
- As at October 2020, there were ,3,387 live applications registered with Homesearch;
- During the Covid-19 crisis, the UK Food Bank network reported its busiest time ever with 81% more emergency food parcels being given out across the UK, including 122% more parcels going to families with children, compared to the same period in 2019;
- 1,379 children in Monmouthshire are currently registered to receive free school meals.



7. Our Aim – to put Social Justice at the of what we do

Monmouthshire County Council has a clear purpose.

We want to help build sustainable and resilient communities that support the well-being of current and future generations.

This purpose gives focus to everything we do to improve the economic, social, environmental and cultural well-being of Monmouthshire and is in line with the goals and ambitions of our public service partners who form the Monmouthshire Public Service Board (PSB).

8. Our Corporate Plan

Monmouthshire County Council's Corporate Business Plan sets out the things we will be working on in the medium term. The plan sets out our five Organisational Goals (also our well-being objectives) supported by the 22 commitments to action we will make and the ways in which they will be measured in the run-up to 2022. This Strategy has been aligned to the direction set in the Corporate Plan and is underpinned by a clear policy framework that sets out, in more detail, our work to enable the delivery of the plan (see appendices). The aspiration and objectives set for Monmouthshire by the Public Services Board (PSB) and Council are:

Purpose	Building Sustainable and Resilient Communities	
PSB aspiration is to:	Reduce inequalities between communities and within communities Support and protect vulnerable people Consider our impact on the environment	
PSB Well-being Objectives	<i>People / Citizens</i>	<i>Place / Communities</i>
	Provide children and young people with the best possible start in life Respond to the challenges associated with demographic change	Protect and enhance the resilience of our natural environment whilst mitigating and adapting to the impact of climate change Develop opportunities for communities and businesses to be part of an economically thriving and well-connected county.
MCC well-being Objectives	The best possible start in life	Maximise the potential of the natural and built environment
	Lifelong well-being	Thriving and well-connected county
Future-focused Council		

9. Our Continuing Commitment to Social Justice

Monmouthshire County Council is committed to aligning evidence based policy, programmes of work and resources with the aim of supporting people and communities to fulfil their potential and live the lives they want to live. The Council has made some commitments to action in relation to the organisational goals in the Corporate Plan and this Strategy seeks to specifically address the following:

Council Commitment	How we're going to do it	Who is accountable
Lifelong Well-being 6) THE COUNCIL DEVELOPS AND DELIVERS A NEW ECONOMY AND ENTERPRISE STRATEGY	Raise the profile of Monmouthshire, support and grow the foundational economy including developing proposals for shorter supply chains to benefit consumers and growers. (New – Food Development Action Plan)	Cabinet Member for Social Justice and Community Development
15) THE COUNCIL ENABLES CONNECTED AND CARING COMMUNITIES SUPPORTING PEOPLE TO LIVE INDEPENDENTLY	<p>Maximise the opportunities for all people to live the lives they want to live and the positive outcomes they identify.</p> <p>Co-produce our approaches to well-being, care and support.</p> <p>Develop opportunities for people to be involved in their local communities reducing isolation and loneliness.</p> <p>Improve opportunities for people with care and support to actively contribute through employment and volunteering.</p>	Cabinet Member for Social Care, Safeguarding and Health
16) THE COUNCIL WORKS COLLECTIVELY TO DELIVER ON SOCIAL JUSTICE, ENABLING PROSPERITY AND REDUCING INEQUALITY BETWEEN COMMUNITIES AND WITHIN COMMUNITIES	<p>Continue to develop programmes to tackle poverty addressing worklessness and in-work poverty through schemes such as the Skills at Work programme.</p> <p>Ensure that all council policies services are focused on ensuring equity of access</p> <p>Promote equality and diversity and ensure opportunities are genuinely available to all</p> <p>Support and enable the development of community-led plans and placed-based working to improve well-being and increase prosperity.</p>	<p>Cabinet Member for Social Justice and Community Development</p> <p>Cabinet Member for Social Care, Safeguarding and Health</p>
17) THE COUNCIL ENABLES BETTER LOCAL SERVICES THROUGH SUPPORTING	Ensure meaningful community engagement to understand the assets and priorities in each locality	Cabinet Member for Social Care,

VOLUNTEERS AND SOCIAL ACTION	<p>Approve volunteering policy, develop volunteering opportunities and continue to support the Be.Community Leadership Programme increasing the skills and knowledge of community volunteers</p> <p>Re-launch the Monmouthshire Made Open Platform to promote opportunities to engage with communities and improve well-being.</p>	<p>Safeguarding and Health</p> <p>Cabinet Member for Social Justice</p>
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10. Alignment to the Strategic Equality Plan 2020-2024

The Council has a long standing commitment to equality and diversity and although the publication of strategic equality objectives is a legal requirement under the Equality Act 2010, the Council is motivated by the belief of putting social justice at the heart of everything we do and are committed to a fair and equal society.

The 2020-2024 Strategic Equality Plan builds on the work delivered in the previous strategic equality plans and whilst it includes responsibility for equalities, there is a clear synergy with this Social Justice Strategy. Also built on extensive evidence from the Well-Being Assessment and the Population Needs Assessment the Plan used the Equality and Human Rights Commission's "Is Wales Fairer 2018" report to highlight many issues that are pertinent to Monmouthshire. The Plan also includes poverty as part of the impact assessments undertaken on all council policy decisions – ahead of the new socio-economic duty, which will come into force in April 2021, alongside developed cumulative impact assessments of the Council's annual budget process looking at the combined impact of budget decisions on different households. The Socio-economic Duty will require the Council to consider how our decisions might help reduce the inequalities associated with socio-economic disadvantage when making strategic decisions such as deciding priorities and setting objectives.

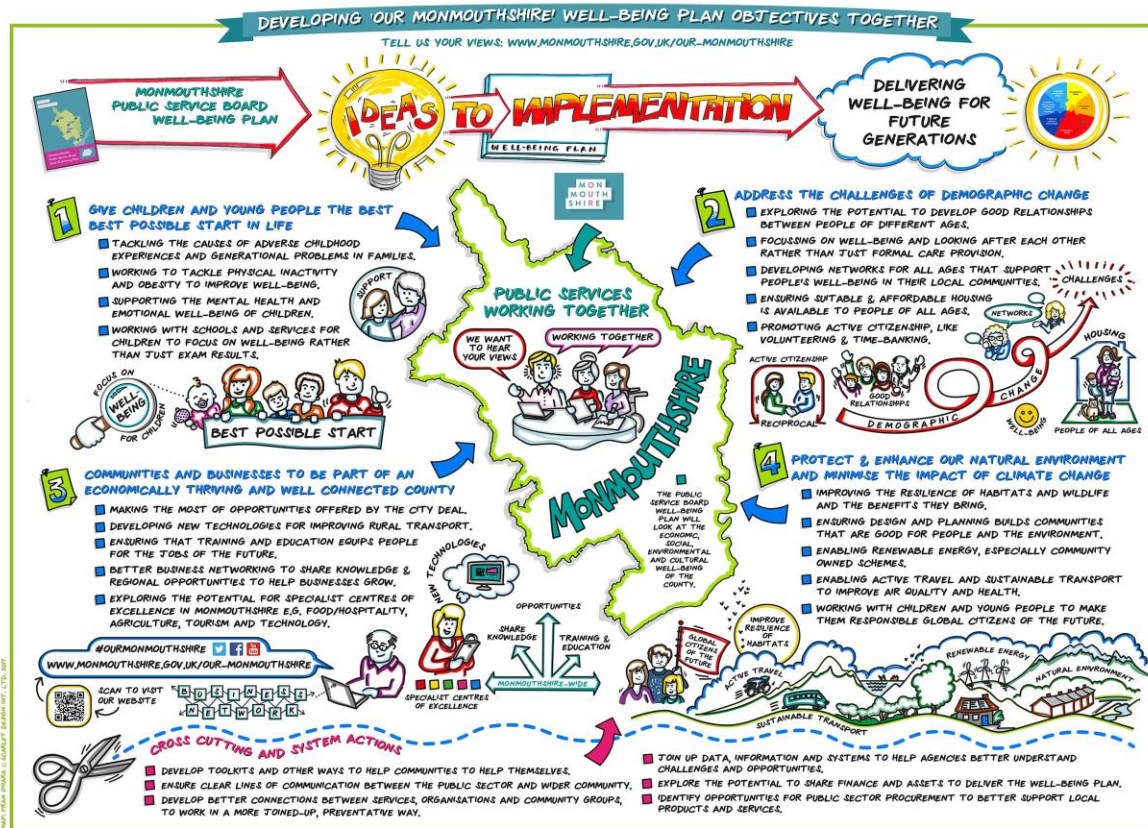
The Strategic Equality Plan, together with this Social Justice Strategy clearly demonstrates the Council's whole-hearted and unambiguous commitment to fairness and equality for the people and communities of Monmouthshire.

11. The Well-being of Future Generations Act

The Well-being of Future Generations Act is the fundamental legislation that requires us to carry out sustainable development, further details of which can be found [here](#). The five ways of working, set out in the act i.e. Balancing short term need with long term and planning for the future; Working together with other partners to deliver objectives; Involving those with an interest and seeking their views; Putting resources into preventing problems occurring or getting worse; and Considering impact on all wellbeing goals together and on other bodies, have all been considered when developing the Corporate Plan and the ambitions for the Social Justice Strategy.

12. Our Priorities for Social Justice and how we will deliver them

In May 2017, the Administration set out in its Political Manifesto, priorities and commitments, one of which was to support **Social Justice** – working towards a fair and equal society, respecting and upholding diversity within our communities, addressing child poverty and worklessness. The strategic priority for Social Justice is to keep the community at the heart of what we do'. We will continue to do this by taking a 'place based approach', working with communities to identify their own strengths and areas for development and well-being. We bring together public services, community leaders, business, schools and all residents to address the issues that matter to that community as we evidenced when developing our Well-Being plan objectives as depicted in the graphic below:



By working together around a place, we can achieve so much more than individual partners and community groups working in isolation. Bringing together support networks, aligning resources and assets, funding, development opportunities and people with a common sense of purpose, will really help to build sustainable and resilient communities. By working collaboratively with the people who live and work locally, we seek to highlight the strengths, capacity and knowledge of those involved for the greater good.

13. Our Community Response to the 2020 Covid19 Pandemic

When the Covid 19 pandemic hit in March 2020 and the UK went into lockdown, a substantial programme of direct community support was instigated via the Community Partnership and Development Team (the Social Justice 'Engine Room') who refocussed themselves and partnered with other Service areas, to provide much needed support to individuals and those who were shielding. Activities included:

- With Our Communities – a support structure for volunteer action;
- A COVID-19 Volunteer Action Group Virtual Network established with colleagues across many service areas focussed on residents need;
- A Volunteer Safe Recruitment Team to equip volunteers for community action;
- A 'Need Team' to ensure the right support was put in place in a very sensitive and professional way to support individual needs;

In addition:

- Our Social Services Team screened individuals applying to provide a collective support approach;
- Our Monmouthshire digital community exchange connected people across our county;
- Third sector partnership relationships were built upon to ensure our volunteer action groups had specialist support and could continue to flourish.

And it worked well. The refocussed networked, place based model provided a clear purpose and delivered what the communities and Council needed;

- 76 committed colleagues from 15 different teams and three external organisations worked together;
- There were no barriers, no silos, just the right people working in the right way:
 - Over 800 contacts were made;
 - Over 227 volunteers recruited; and over
 - 550 direct requests for help were addressed.

At the same time the Public Service Board (PSB) also started to evolve and are now supporting area based working for prevention and early intervention and providing governance and direction to steer the place based teams which comprise of multi-agency staff from across the PSB partner organisations. Staff are now working in a more networked/virtual way becoming part of the place based area teams across the county, working to mutually agreed hyper local delivery plans.

14. The Resulting Impact of Covid 19 and its corresponding impact on the Social Justice Strategy

Whilst the Community Support Network has always had a focus on Tackling Poverty and Inequality the lived experience of many individuals, families and households who experience very real financial hardship have been thrown into very sharp focus with the effects of the Covid 19 pandemic-related economic downturn.

As a result in July 2020, Members resolved to create two dedicated roles to lead and coordinate the Tackling Poverty and Inequality agenda for Monmouthshire. Since then a revised Action Plan has been developed which now sits under the umbrella of this phase three of the Social Justice Strategy to support the progression of the Council's work on this agenda.

The Covid 19 pandemic also resulted in a significant increase in homeless citizens needing to be housed, as lockdown rules stated citizens were no longer able to stay with friends or live on the streets. In response, Welsh Government produced three phase planning guidance and a plan for Homelessness and Housing Related support:

- Phase 1: March to August 20 – Covid-19 crisis management;
- Phase 2: July 20 to March 21 – Response to crisis and transition; and
- Phase 3: January 21 to March 22 – Move to 'New Norm' (Vision)

The Council's Housing Team are currently in Phase 2 of the Homeless Transition plan however during this time, it has become apparent that there is a need to take a more joined up strategic approach in order to ensure that the Council provides the right service to the right person; reduces duplication; improves budget efficiency; and importantly identifies future needs to enable the Council to plan longer term. The Social Justice Strategy will therefore also provide strategic context for the Homeless Transition Plan.

A demonstrable increase in food poverty and food insecurity has also been exacerbated by Covid 19, in recognition of this the Council has now produced its first Food Development Action Plan that sets out the complex challenges the County faces and activities that will increase the variety and equitable access to locally produced food for Monmouthshire's communities. This is therefore the third Action Plan that will form part of the overarching revised Social Justice Strategy.

15. Revised Priorities: Targeted Action Plans

As an evolving programme of work, this Strategy has previously set out a very broad programme of work that stretched across many services in the Council. This was the right approach at the outset, as this Social Justice Strategy was the first of its kind and therefore sought to understand how social justice principles could be applied across the Council. However, in light of the lessons learned throughout the Covid 19 pandemic, we now have a clearer sense of the how targeted action can create the greatest impact. Also, in terms of the previous set of Key Performance Indicators many were already being reported in to other Scrutiny Committees for example Children and Young People's Committee and therefore effort was being duplicated. Similarly, the risks identified in previous versions of the Strategy are also being monitored centrally and have therefore been removed from this Phase Three of the Strategy.

Therefore, in order to assess progress more clearly rather than a list of activity, this Phase Three of the Social Justice Strategy now provides the overarching policy coherence for the Tackling Poverty and Inequality Action Plan, the Homeless Transition Plan and the Food Development Action Plan.

As discussed in the section above, these areas have been selected as areas for priority action as a result of the Covid19 pandemic. The pandemic itself and the effects of the resulting lockdowns have shone a light on and exacerbated these underlying issues in our county. As a Council we are now subject to an enhanced set of duties around reducing homelessness which – while welcome – pose considerable challenges in implementation. The lockdowns and other Covid-related restrictions have served to crystallise the central importance of equitable access to affordable, high quality food. The economic effects of the pandemic have already been considerable and, in terms of personal and household finances, there is in all probability worse to come. We are committed to doing everything we can to protect our citizens from the resulting poverty and its effects.

Whilst the full Action Plans have been attached in the appendices for information, the ‘Plan on a Page’ summary documents for the Tackling Poverty and Inequality Action Plan, the Food Development Action Plan and the Homeless Transition Plan follow which provide an overview of:

- Why the Activity is important
- Who we will work with the achieve or aims and objectives;
- What we will do; and
- How we will measure progress

16. How will we measure progress?

In order to evaluate progress and ensure transparency and accountability as part of our governance arrangements, each individual Action Plan has its own performance measures which will be monitored through the appropriate mechanism e.g. Tackling Poverty and Inequality Action Group, the Monmouthshire Food Partnership and the Social Justice Advisory Group who will monitor the progress of the overarching Social Justice Strategy. Regular progress reports will also presented to Strong Communities and Children and Young People’s Select Committees for scrutiny purposes.

There is also evidence that we learn and develop most effectively through the sharing of stories therefore at a qualitative level of evaluation, we are committed to working with partners who can provide evaluative support to ensure that the impact of approaches and interventions can be effectively measured overtime (recognising some change will be generational) as well as understanding short term effectiveness. The Social Justice Advisory Group will therefore continue to oversee and direct the implementation of the Strategy using the following questions as a guide to evaluate progress,

- What changes (good and bad) have come about as a result of the work we are doing?
- What does good collaboration look like and have we achieved it?

- What are the enablers and inhibitors to effective collaborative working around well-being across Monmouthshire?

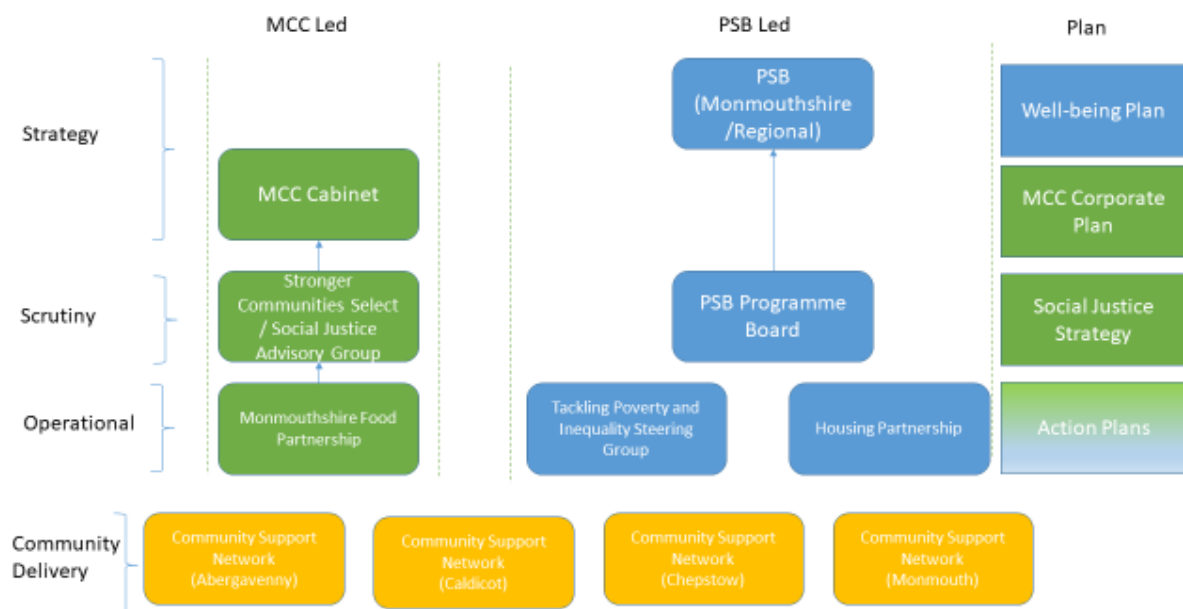
The reasons for using this particular methodology are:

- It fits with the 'spirit' of partnership with a strong focus on participation and stories;
- The use of stories and facilitated conversations will support the development of relationships between participants and a common understanding and purpose regarding the concept of well-being;
- The answers to the questions are difficult to predict and will emerge with many unanticipated findings and outcomes;
- The main focus is on learning and development rather than accountability;
- This is a social change programme with a before, middle and after.

17. Governance Overview

Diagram Two below provides an illustration of the governance arrangements for the Strategy from a strategic, scrutiny and operational perspective.

Diagram Two –Governance Overview



18. Further challenges – looking ahead

It is anticipated that further phases of the Strategy will include a Digital Inclusion Action Plan and a Mental Health/Well Being/Social Isolation Action Plan. Integration will also be sought with the Council's Community Volunteering Framework to provide a mechanism which will enable staff to volunteer in Monmouthshire's communities as part of the wider Community Support Network activities.

In addition, the Community Support Network will continue to provide support by:

- Maintaining cross directorate working via Virtual Network;
- Maintaining the momentum of service delivery based on community need rather than traditional service delivery restraints – targeted, evidence based, community interventions;
- Providing teams with permission, structure and support; and
- Building supercharged, hyper local, place based multi-agency networks that work bottom up tackling real community issues

The Tackling Poverty and Inequality Action Plan: Plan of a Page

Why is this Activity Important?	Who will we work with?
<ul style="list-style-type: none"> • Nobody is immune from poverty and the causes of poverty can quickly become consequences, trapping people in a cycle from which they need help to emerge. Poverty can affect us all and issues such as education, crime, health, environment or employment can be exacerbated by poverty. • In attempting to define poverty in Monmouthshire we recognise the tension between objective/precise/quantifiable definitions which can be easily measured and tracked, yet can be considered a blunt instrument when capturing the lived experience of poverty. However, when more subjective/loose/qualitative measures are used they may provide a truer and more nuanced reflection but are much harder to measure. Monmouthshire has therefore chosen to adopt the Joseph Rowntree Foundation definition: i.e. 'when your resources are well below your minimum needs'. • We will work together to promote equitable prosperity in Monmouthshire and wherever possible to prevent our citizens experiencing poverty. However, we recognise that despite our efforts, there will be points in people's lives at which they experience financial hardship. When this does occur services will come together to provide support to make that experience as brief, as infrequent and as manageable as possible, helping people to emerge from that experience with greater levels of resilience. 	<ul style="list-style-type: none"> • We will work with partners on a range of footprints, through our county's Public Services Board, and at a community level through our neighbourhood networks, to impact upon the causes of poverty and inequality at every level. • In addition to our PSB partners, we will also work alongside: <ul style="list-style-type: none"> ○ Local organisations such as Food Banks (linking to Food Development Action Plan), Covid Support groups and faith organisations e.g. Christians Against Poverty; ○ County-wide providers such as Mind Monmouthshire, GAVO, Citizens Advice, Gateway Credit Union, Registered Social Landlords; and ○ Regional and National partners including Department for Work and Pensions, Welsh Government and Cardiff Capital Region City Deal.
What will we do?	How will we measure success?
<ul style="list-style-type: none"> • Poverty is a result of both individual circumstances (e.g. life events/transition points) and circumstances over which individuals and households have limited control (such as the availability of local employment). • We will take a multi-layered approach, supporting individuals and households who need specific help, whilst also striving to create neighbourhoods, communities and systems within which everybody has the opportunity to flourish. Activities will therefore include coordinated support for: <ul style="list-style-type: none"> ○ Employability skills and employment; ○ Children and young people disadvantaged by poverty; ○ Mental health /emotional support/ coping skills; ○ Isolated poverty cases (including private renters); and ○ Crisis prevention: helping people to access support at earliest opportunity, and support to navigate available offer. 	<ul style="list-style-type: none"> • We will use a basket of measures to help us build and deepen our understanding of poverty and inequality in Monmouthshire. Measures will include: <ul style="list-style-type: none"> ○ Number of households below 50% and below 60% GB median income (statistical definition of poverty) ○ Number of people in receipt of Universal Credit: in employment and not in employment ○ Number of Housing Gateway Referrals ○ Number of live applications on housing register ○ Number of food bank vouchers issued by MCC • Because we also know that poverty is fundamentally a qualitative experience, we will also work with our communities to develop story-telling and narrative that captures the lived experiences of those living in and on the edge of poverty in our county.

Food Development Action Plan – ‘Plan on a Page’ Why is this Activity Important?	Who will we work with?
<p>Although referred to as the ‘Food Capital of Wales, due to its excellent reputation for quality food and drink, issues exist within the County which this Action Plan seeks to address, namely:</p> <ul style="list-style-type: none"> • A lack of continuity, volume, quality and connectivity in local food supply chains; • A lack of infrastructure and strategic coherence in sustainable land use and food production to help the County to supply and sustain itself; • A lack of opportunities to bring smaller producers into the current ‘public plate’ offer due to their current inability to provide continuous volume, at a competitive price; • Current public sector procurement pricing strategies focusing on value for money rather than local wealth creation; • A demonstrable increase in food poverty and food insecurity exacerbated by Covid 19; • A need to address the decarbonisation agenda through a reduction in food miles and a greater focus on the sustainable food agenda. 	<p>We will work with a range of partners at all levels to address the sustainable food agenda:</p> <ul style="list-style-type: none"> • Regional and National partners including Welsh Government, Menter a Busnes, NFU, FUW, Cardiff Capital Region City Deal, Sustainable Food Network, Food Manifesto Wales, National Resources Wales • Local Producers and suppliers • Local organisations such as Food Banks (linking to the Tackling Poverty and Inequality Action Plan), farmers, food producers, private sector organisations; • County-wide providers such as Registered Social Landlords, Community Trusts etc. • Schools, Health Board, PSB, catering educationalists and academia to influence change
What will we do?	How will we measure success?
<ul style="list-style-type: none"> • Monmouthshire Food Resilience Data Mapping And Analysis Exercise; • Test Farm to grow and test the profitability of small scale ecological farming techniques; • Increase internal local food procurement through liaison with local suppliers to identify local, sustainable supply chains and business support needs; • Community Wealth Building Through Progressive Procurement/PSB; • Engagement with primary schools for circular pilot project to encompass all phases of food production; • Expansion of community pantry programme; • SHEP – School Holiday Enrichment Programme; • Extension of Healthy Schools/Healthy Eating Programme to implement scratch cooking across all catering outlets/services in the Council; • Monmouthshire Food Partnership share information on the development of the Food Agenda and shape future support for the county. • Maximising additional RDP funding opportunities for food and food tourism businesses. 	<p>The key indicators to be monitored will include:</p> <ul style="list-style-type: none"> • Increase in no. of food businesses engaged to 15; • Increase in no. of local food suppliers regularly supplying produce to MCC -15; • Increase in MCC local food procurement from 20% to 25%; • Establishment of Strategic Food Partnership – moving towards Monmouthshire as a recognised “Sustainable Food Place”; • No. of school children engaged in reducing school food waste 10 in pilot programme – x 2 school clusters; • No. of MCC catering staff trained in ‘scratch’ cooking – 20; • Reduction of food waste by 10% in schools

Homeless Transition Plan

Why is this Activity Important?	Who will we work with?
<ul style="list-style-type: none"> • New WG guidance for local authorities on responding to homeless and introducing new standards for temporary accommodation; • At 23rd November 2020 there were 117 households (mainly single people) in temporary accommodation, that need moving to other accommodation, with 66 households in B & B This includes: <ul style="list-style-type: none"> • 16/17 year olds – 2 (1 pending) • 18-24 year olds – 29 (3 pending) • Young people in B & B – 15 • Young people in Shared Housing - 15 • Many homeless applicants have a need for both specialist accommodation and specialist housing support; • Not all support needs can be met through the current Housing Support Grant Programme (recommissioning scheduled for April 2023); • Supporting applicants has been extremely challenging for the Housing Option Team due to staff capacity issues over the last six months. • The lack of 1 bed social housing stock • A reduction in the availability of social housing vacancies due to tenants not moving. 	<ul style="list-style-type: none"> • Welsh Government; • Registered Social landlords; • Public Service Board Partners; • MCC Service Teams e.g. Community Support Network, Flexible Funding Team; Social Services; Estates • Housing Intervention Panel • Housing Support Providers
What will we do?	How will we measure success?
<ul style="list-style-type: none"> • Give priority to developing services for Young People and those with Multiple Needs and strengthening homeless staffing • Increase the range and number of units of temporary accommodation including the provision of on-site support; • Introduce designated/ring-fenced permanent move-on accommodation; • Increase the type of specialist housing support for homeless people; • Increase other specialist support e.g. health related, in addition to housing support; • Strengthen the management of placements to reduce the risk of placement failure. This will also benefit the priorities of other statutory agencies; • Support the well-being of staff; • Support proposals which will provide cost benefits and help to mitigate against particular areas of expenditure e.g. B & B use. • Adopt a psychologically and trauma informed approach to delivering and commissioning homeless services 	<p>The number of households in temporary accommodation and specifically B & B</p> <p>The range and number of temporary accommodation available;</p> <p>The percentage of homelessness successfully prevented;</p> <p>The percentage of additional units of affordable housing delivered against the annual LDP target of 96</p> <p>The percentage of increase in the number of Monmouthshire Lettings Units</p>

Appendices

The Tackling Poverty and Inequality Action Plan



Draft Tackling
Poverty Action Plan :

The Food Development Action Plan



Food Development
Action Plan Draft 20

The Homeless Transition Plan



201116 Draft
Homeless Transition

**Monmouthshire
County Council**

TRECHU TLODI AC
ANGHYDRADDOLDEB
**TACKLING POVERTY
& INEQUALITY**

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ACTION PLAN



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<p>Tackling Poverty and Inequality: Plan on a Page'Why is this Activity Important?</p>	<p>Who will we work with?</p>
<ul style="list-style-type: none"> • Nobody is immune from poverty and the causes of poverty can quickly become consequences, trapping people in a cycle from which they need help to emerge. Poverty can affect us all and issues such as education, crime, health, environment or employment can be exacerbated by poverty. • In attempting to define poverty in Monmouthshire we recognise the tension between objective/precise/quantifiable definitions which can be easily measured and tracked, yet can be considered a blunt instrument when capturing the lived experience of poverty. However, when more subjective/loose/qualitative measures are used they may provide a truer and more nuanced reflection but are much harder to measure. Monmouthshire has therefore chosen to adopt the Joseph Rowntree Foundation definition: i.e. 'when your resources are well below your minimum needs'. • We will work together to promote equitable prosperity in Monmouthshire and wherever possible to prevent our citizens experiencing poverty. However, we recognise that despite our efforts, there will be points in people's lives at which they experience financial hardship. When this does occur services will come together to provide support to make that experience as brief, as infrequent and as manageable as possible, helping people to emerge from that experience with greater levels of resilience. 	<ul style="list-style-type: none"> • We will work with partners on a range of footprints, through our county's Public Services Board, and at a community level through our neighbourhood networks, to impact upon the causes of poverty and inequality at every level. • In addition to our PSB partners, we will also work alongside: <ul style="list-style-type: none"> ○ Local organisations such as Food Banks (linking to Food Development Action Plan), Covid Support groups and faith organisations e.g. Christians Against Poverty; ○ County-wide providers such as Mind Monmouthshire, GAVO, Citizens Advice, Gateway Credit Union, Registered Social Landlords; and ○ Regional and National partners including Department for Work and Pensions, Welsh Government and Cardiff Capital Region City Deal.
<p>What will we do?</p>	<p>How will we measure success?</p>
<ul style="list-style-type: none"> • Poverty is a result of both individual circumstances (e.g. life events/transition points) and circumstances over which individuals and households have limited control (such as the availability of local employment). • We will take a multi-layered approach, supporting individuals and households who need specific help, whilst also striving to create neighbourhoods, communities and systems within which everybody has the opportunity to flourish. Activities will therefore include coordinated support for: <ul style="list-style-type: none"> ○ Employability skills and employment; ○ Children and young people disadvantaged by poverty; ○ Mental health /emotional support/ coping skills; ○ Isolated poverty cases (including private renters); and ○ Crisis prevention: helping people to access support at earliest opportunity, and support to navigate available offer. 	<ul style="list-style-type: none"> • We will use a basket of measures to help us build and deepen our understanding of poverty and inequality in Monmouthshire. Measures will include: <ul style="list-style-type: none"> ○ Number of households below 50% and below 60% GB median income (statistical definition of poverty) ○ Number of people in receipt of Universal Credit: in employment and not in employment ○ Number of Housing Gateway Referrals ○ Number of live applications on housing register ○ Number of food bank vouchers issued by MCC • Because we also know that poverty is fundamentally a qualitative experience, we will also work with our communities to develop storytelling and narrative that captures the lived experiences of those living in and on the edge of poverty in our county.

1. Introduction

“Like slavery and apartheid, poverty is not natural. It is man-made and it can be overcome and eradicated by the action of human beings. Overcoming poverty is not a task of charity, it is an act of justice”

Nelson Mandela, ‘Make Poverty History’ event, London 2005

Monmouthshire is a beautiful county, blessed with strong communities, some of the finest natural assets in Wales, and a competitive local economy. Our citizens tell us that it is a fantastic place to live. However, we also know that our county’s relative affluence compared to much of Wales – when viewed through the lens of aggregated data - masks the day to day reality and lived experience of those of our citizens who are experiencing poverty, financial hardship and who do so in the context of the considerable inequality that exists within our county.

In many ways, living in an area of relative affluence and wealth whilst you are struggling to make ends meet can make that experience even harder and more isolating. This is Monmouthshire’s particular challenge and one that we are determined to understand, to shine a light on, and to address.

2. Situational Analysis – what is the problem we are trying to solve?

2.1 How do we define poverty?

2.1.1 Social Metrics Commission:

“While various measures of income inequality and poverty exist, the UK no longer has an official measure of poverty for children, adults or pensioners. This leaves a situation where policymakers and politicians are less able to track progress and it is more difficult to hold them to account for effectively tackling the causes of poverty or improving the lives of those in poverty”.

2.1.2 In order to address poverty and inequality effectively, we first need to understand and describe what we mean by poverty and how we intend to quantify and measure poverty. However whilst there are some well-known methods of measuring poverty, these are not always useful at a local level.

- **Relative income poverty** – where households have less than 60% of contemporary median income
- **Absolute income poverty** – where households have less than 60% of the median income in 2010/11 (JRF - <https://www.jrf.org.uk/our-work/what-is-poverty>)
- **Minimum Income Standard (MIS)** – run by Joseph Rowntree Foundation (JRF) and Loughborough University. Based on research with groups of members of the public, specifying what items need to be included in a minimum household budget – in order for people to have a decent standard of living. (Loughborough University - <https://www.lboro.ac.uk/research/crsp/currentresearch/mis-uk/>)



Diagram One: JRF 'What is Poverty?'

- 2.1.3 Poverty is not the same as having a low income. People and families have different fixed costs to contend with for example childcare, housing, etc. as well as different levels of savings or assets to draw upon. Therefore individuals and families have different levels of personal and financial resilience and this will influence whether a specific level of income is adequate to live a full and active life. During the Covid 19 Pandemic it has often been said that crisis has affected us all in the same way – and whilst to a certain extent this is true, the virus does not discriminate, its impact has been felt differently depending upon gender, ethnicity and income. Therefore, whilst we are all in the storm, we are not all in the same boat.
- 2.1.4 In attempting to define poverty in Monmouthshire we recognise that there is a tension between objective/precise/quantifiable definitions which can be easily measured and tracked, yet can be considered a blunt instrument when capturing the lived experience of poverty. However when more subjective/loose/qualitative measures are used they may provide a truer and more nuanced reflection but are much harder to measure. Monmouthshire has therefore chosen adopt the Joseph Rowntree Foundation definition:

'When a person's resources (mainly their material resources) are not sufficient to meet their minimum needs (including social participation).'

This will be supplemented with a statistical definition: No. /% households below 60% median income.

2.2 How is poverty currently measured?

The Social Metrics Commission (SMC) (<https://socialmetricscommission.org.uk/wp-content/uploads/2020/06/Measuring-Poverty-2020-1.pdf>) was specifically tasked by the UK Government with identifying new ways of measuring poverty. Their first annual report in 2016 identified three key areas for understanding and measuring poverty, to enable a better understanding of inequality:

1. Identifying those least able to make ends meet. The Commission's measure:
 - Accounts for all material resources, not just incomes. For instance, this meant including an assessment of the available liquid assets that families have;

- Accounts for the inescapable costs that some families face, which make them more likely than others to experience poverty. These include the extra costs of disability, costs of childcare and rental and mortgage costs; and
 - Broadens the approach of poverty measurement to include an assessment of overcrowding in housing and those sleeping rough.
2. Providing a better understanding of the nature of poverty, by presenting a detailed analysis of poverty depth and persistence for those in poverty; and
 3. Providing an assessment of Lived Experience Indicators that shine a light on the differences in experiences of those living in poverty and those above the poverty line.

2.3 The current UK poverty picture

Using the SMC's s new measure, the picture of poverty in 2020 at a UK level is as follows:

- **14.3 million people in the UK are in poverty:** 8.4 million working-age adults; 4.5 million children; and 1.4 million pension age adults;
- **12.1% of the total UK population (7.7 million people or more than 1 in 10) live in persistent poverty** i.e. a person is living in poverty in the current year and two of the last three years);
- **More than 6 in 10 working-age adults and children, who live in families who are more than 10% below the poverty line, are also in persistent poverty.** For those less than 10% below the poverty line, the figure is 4 in 10.
- **Of the 14.2 million people in poverty, nearly half, 6.9 million (48.3%) are living in families with a disabled person.**
- **Far fewer pensioners are living in poverty than previous measures suggested.** Poverty rates amongst pension-age adults have nearly halved since 2001 (falling from 20.8% in 2001 to 11.4% in 2017).
- **The majority (68%) of people living in workless families are in poverty.** This compares to just 9% for people living in families where all adults work full time.
- **Around 2.7 million people are less than 10% below the poverty line,** meaning that relatively small changes in their circumstances could mean that they move above it.
- **2.5 million people in the UK are less than 10% above the poverty line.** Relatively small changes in their circumstances could mean they fall below it.

The SMC pays close attention to families living just above or below the 'relative' poverty line, since relatively small changes to family circumstances could move a family either 'in to' or 'out of' poverty. For example, data from the ONS shows that half or more of families in all industries - aside from professional/scientific/Information and communication - would struggle to cover a three-month loss of income. Therefore the impact of Covid 19 on many of families may have been significant.

2.4 The poverty picture in Wales

One of the limitations of the SMC work is that it does not investigate below UK level however Welsh Government undertook some analysis in April 2018 and March 2019, the results of which can be seen below:

- 23% of all people in Wales were living in relative income poverty between 2016-17 and 2018-19. **That is around 750,000 people.**
- This figure has remained relatively consistent for some time. At 23%, the figure is marginally lower than last year. **That is around 280,000 children.**
- **Children were the age group most likely to be in relative income poverty (at 28%)** and this has been true for some time. This is only the fourth time this figure has been below 30% since the period ending 2005-06.
- One reason why children are consistently the age group most likely to be in relative income poverty is that adults with children are more likely to be out of work or in low paid work due to childcare responsibilities.
- 22% of working-age adults were in relative income poverty between 2016-17 and 2018-19. **That is around 418,000 adults.** This is down from the 23% reported last year. The figure has been around 21% to 23% for most of the time since the late 1990s.
- 19% of pensioners in Wales were living in relative income poverty between 2016-17 and 2018-19, the same as that reported last year. **This is around 120,000 pensioners.** This remains below what it was throughout the mid to late 1990s.

Source: <https://gov.wales/relative-income-poverty-april-2018-march-2019>

Table One: Children in Wales in relative poverty by tenure type -% Households below average income

Type of Tenure	2016 – 2019
All households	28
Social rented	52
Private rented	53
Owner occupied	12

Source: Family Resources Survey, Department for Work and Pensions March 2020

Table Two: Percentage of all individuals, children, working-age adults and pensioners living in relative income poverty Wales 2016-17 to 2018-19 (3 year averages of financial years) (after housing costs)

All individuals	United Kingdom	22
	Wales	23
Children	United Kingdom	30
	Wales	28
Working age adults	United Kingdom	21

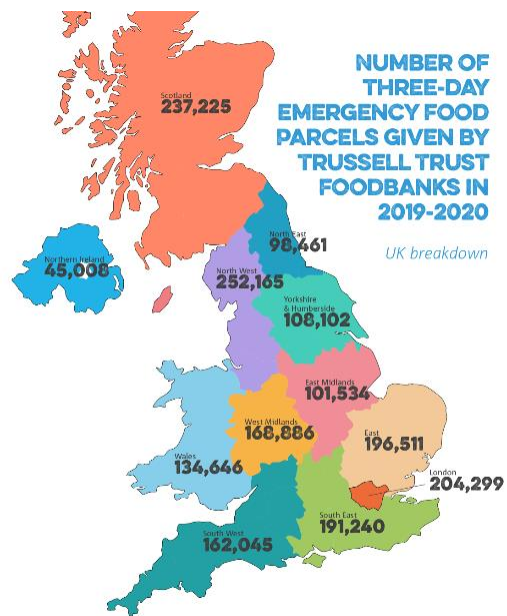
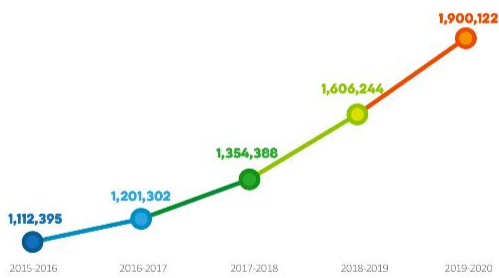
	Wales	22
Pensioners	United Kingdom	16
	Wales	19

Source: Family Resources Survey, Department for Work and Pensions March 2020

Table Three: Food bank usage in Wales 2013 – 2020

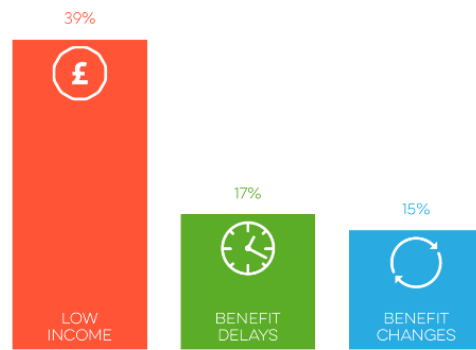
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Wales	79,996	87,935	86,314	97,144	100,362	116,087	134,646

IN THE LAST FIVE YEARS, FOOD BANK USE IN OUR NETWORK HAS INCREASED BY 74%



Source: Trussell Trust Annual Statistics 2020

PRIMARY REASONS FOR REFERRAL TO TRUSSELL TRUST FOOD BANKS IN 2019-20



The top three reasons for referral to a food bank in the Trussell Trust network in 2019-20 were low income', benefit delays' and benefit changes'.

Source: Trussell Trust Annual Statistics 2020

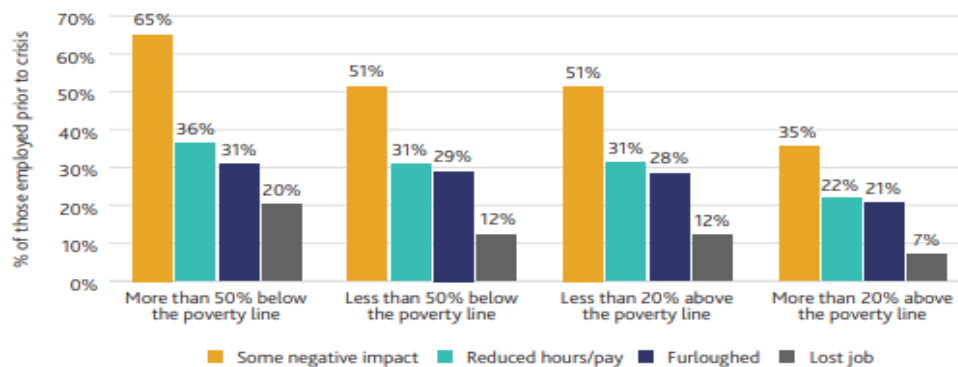
2.5 Covid 19 Trends

2.5.1 The Social Metrics Commission

The Social Metrics Commission (SMC) and YouGov carried out polling during March to May 2020 to explore how Covid-19 has affected people's financial situation, attitudes towards society, experiences of loneliness and the extent to which they are confident about the future.

There were some concerning trends. Those in the deepest levels of poverty have felt the largest employment impact. 65% of those employed prior to the Covid-19 crisis who were in deep poverty, experienced some kind of negative labour change (reduced hours or earnings and/or been furloughed or lost their job). This compares to 35% of those who were employed and more than 20% above the poverty line prior to the Covid-19 crisis as detailed in Diagram Two below:

Diagram Two: Impact of Covid 19 on Employment



Source: YouGov, SMC analysis.

Those in poverty, or close to the poverty line, who have remained in employment have also been more likely to be furloughed and/or to see their hours or wages cut in response to the Covid-19 crisis.

Combined with the results of this polling (which suggests larger increases in unemployment and a higher incidence of pay cuts for those below the median), this suggests that, even with the support provided through temporary increases in the social security system and the Government’s Coronavirus Job Retention Scheme, under the Commission’s measure of poverty:

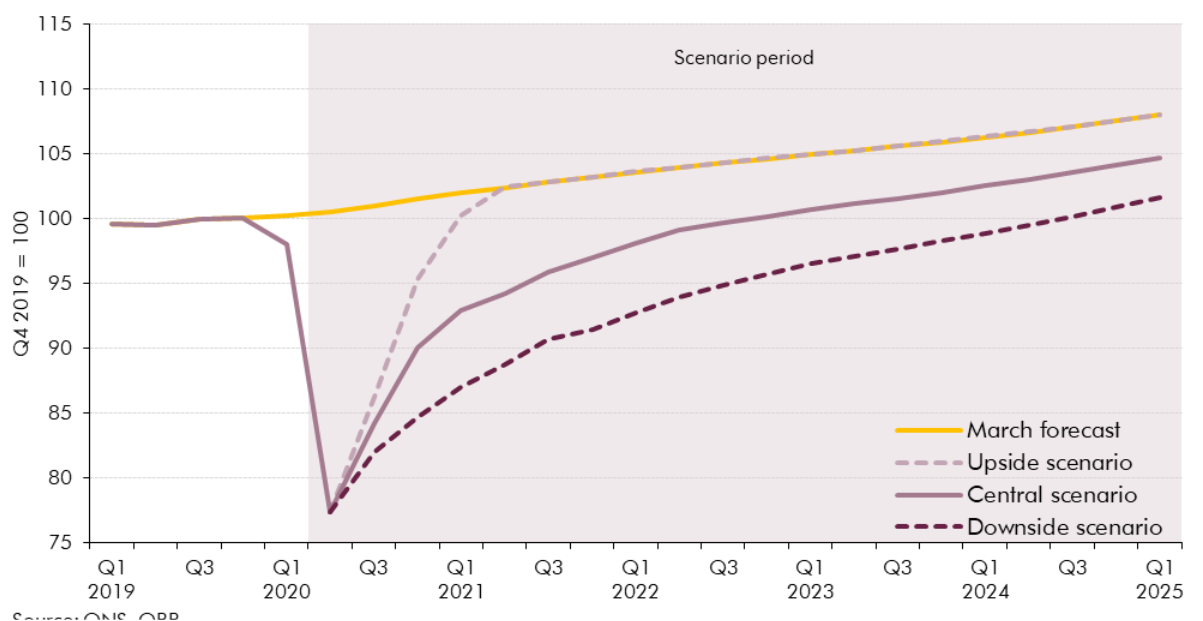
- Many of those already in poverty could move deeper into poverty because of losing their jobs, or having lower earnings because of reduced hours or pay. This would exacerbate the already increasing trend in deep poverty seen over the last 20 years; and.
- Those previously close to, but above, the poverty line could move into poverty by their changing employment status.

2.5.2 The Office for Budget Responsibility

The UK’s GDP fell by 25% between February and April 2020 but is now in recovery as detailed in Diagram Three below. The pace of recovery and long-term ‘scarring’ of the economy will depend on the:

- Course of the pandemic and development of effective vaccines and treatments;
- Speed and consistency with which Government lifts health restrictions;
- Response of individuals and businesses as it does so; and
- Effectiveness of policy in protecting viable businesses and sustaining employment

Diagram Three: GDP Impact and Projected Recovery



Source: Office for Budget Responsibility

2.5.3 Rent Smart Wales

A Rent Smart Wales survey ([survey](#)) of 1,343 private landlords found 38% had tenants unable to pay the full rent since lockdown began on the 23rd March. The survey also found that 40% of an estimated 180,000 tenants in private housing in Wales have fallen behind on rent in lockdown – and 28% of those were more than two months in arrears. Rent Smart also found that one in five landlords were struggling to pay their mortgage during lockdown.

2.5.4 Citizens Advice Cymru

Citizens Advice Cymru have said they are concerned about a potential "wave of evictions" from the point at which the pause on evictions ends. They have experienced a doubling of calls for help with rent during lockdown, with 1,037 between 24 March and 23 June this year, compared to 497 during the same period last year. Monmouthshire Citizens Advice have also seen an increase in calls, the top reason for needing help was employment, followed by help with benefits and tax, then housing, benefits and Universal Credit and then relationship and family issues.

2.5.5 Community Issues

The ONS data for 24th July reports that of those receiving medical care for a long term mental or physical health condition before the pandemic, 51% had had their care cancelled or reduced since the outbreak. Of these, 24% said they feel their health had become worse during this time. This – and the wider impact of lockdown and economic impact – has the potential for significant effect on people's mental health and general wellbeing.

One of the wonderful positive aspects to have come from the Covid 19 crisis is the emergence of many local community groups who have supported neighbours with shopping, collecting prescriptions, dog walking and keeping people socially connected. However, a report from the new, all-party parliamentary group for left behind neighbourhoods found that, despite volunteering ballooning in some areas, the amount of mutual aid groups in 'left behind' areas equated to 3.5 per 100,000 people. This compared to an average of 10.6 per 100,000 people across the rest of England.

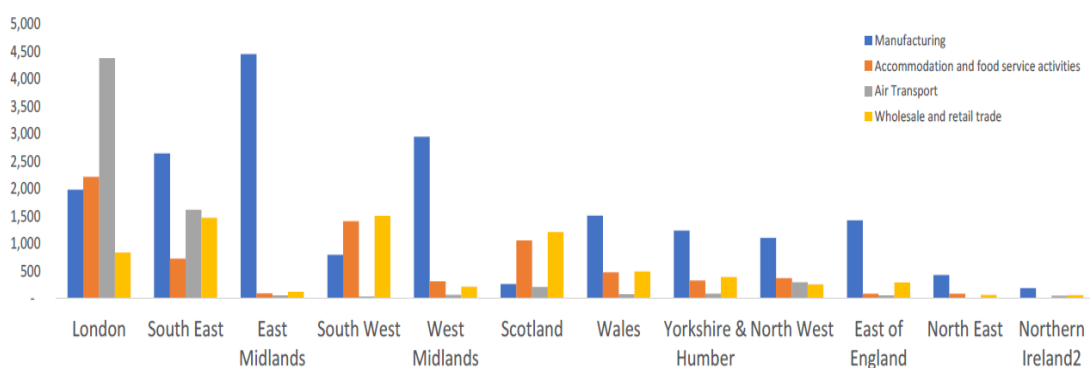
2.6 Poverty in Monmouthshire post Covid 19

2.6.1 Many debt-counselling services work on the principle that we are all only three monthly paydays away from being in financial difficulty. As a result of the Covid 19 pandemic, many households who have previously not made use of the benefits system, Foodbanks or other sources of support are now attempting to navigate these for the first time. Across Monmouthshire, people will have been relying on savings, family & friends to tide them over during the first few weeks/months of the crisis, but these sources of support and personal resilience will now be running dry, and so we can expect an increase in those seeking support. With the number of furloughed staff across our region, together with those on zero hour contracts who have not been working and those who have lost their jobs, the ability of households to cover a three-month loss of employment income will become strained.

2.6.2 Figures from a recent DWP/Cardiff Capital Region City Deal presentation (Diagram Four below) suggest that manufacturing will suffer the largest jobs losses in Wales, followed by accommodation and then retail.

Diagram Four – Potential Job Losses in Cardiff Capital Region

Potential job losses for most affected sectors by Region



- 2.6.3 The same DWP/Cardiff Capital Region City Deal presentation also indicated that 9,100 people were furloughed in Monmouthshire during the Covid 19 crisis (Diagram Five below) and that there was a doubling of claims for Universal Credit (UC) in Monmouthshire from January to June 2020.

Diagram Five – Wales Furlough Numbers in the 22 Local Authority Regions as a percentage of the LA population

Area	Number	Percentage
Cardiff	36,000	21.4
Rhondda Cynon Taf	23,400	25.4
Swansea	23,000	23.7
Flintshire	18,800	27.8
Carmarthenshire	18,000	27.4
Caerphilly	17,900	24.8
Newport	16,600	25.6
Bridgend	15,300	25.5
Wrexham	15,100	26.5
Gwynedd	13,300	28.6
Conwy	13,200	31
Vale of Glamorgan	13,200	24.8
Powys	13,100	29.2
Pembrokeshire	12,900	29.2
Neath Port Talbot	12,700	22.5
Torfaen	9,900	26.5
Denbighshire	9,800	28
Monmouthshire	9,100	25.7
Blaenau Gwent	6,600	24.6
Ceredigion	6,500	28.9
Isle of Anglesey	6,400	24.6
Merthyr Tydfil	6,000	24.8

- 2.6.4 It is likely that the increase in Universal Credit claims were as a result of the significant number of self employed people and micro business owners in the county who were awaiting payments from the Government’s Self-Employment Income Support Scheme and the Non Domestic Rates Business Grants scheme and therefore the rate is likely to fall over the coming months. However, if we use the current Office for Budget Responsibility prediction that 15% of those furloughed will be made redundant, then we could make an assumption that approximately 1365 citizens could lose their jobs in Monmouthshire as a result of the Covid 19 crisis which would have a significant impact on local families.
- 2.6.5 The four sectors likely to re-open gradually as a result of the Covid 19 crisis are (Accommodation, Non-food retail, Pubs and restaurants, Arts and leisure) which are some of the main employment sectors across Monmouthshire. These groups are most likely to suffer from a lack of consumer confidence due to perceived health risks inherent in the activities represented by these sectors. Staff in these sectors have been most heavily impacted by employment changes due to Covid 19 although ONS data for 24th July shows that there has been a relative increase in consumer confidence in eating out both indoors (33%) and outdoors (52%) over recent weeks.
- 2.6.6 Although widely regarded as being a leafy and affluent area, Monmouthshire has many families who are currently living in poverty. The peaks in demand for support during Covid-19 have simply amplified pre-existing issues around poverty and inequality across Monmouthshire has been demonstrated with the increase in calls to Monmouthshire County Council for support with benefits and council tax during the peak of the crisis in March.
- 2.6.7 In assessing the level of poverty in Monmouthshire, the following statistics have been drawn using the Council’s Monmaps Database and data from partner organisations such as Registered Social Landlords. The detailed diagrams and ward information for the headline data below can be found in *Appendix A – Defining Poverty in Monmouthshire Data*.
- Before taking into account housing costs there are large areas across Monmouthshire with less than 10% of children living in poverty, a significant area with between 10 – 20% of children and a large area with 20 – 25% of children in poverty;
 - When housing costs are included, the number of children living in poverty increases significantly. There are several large pockets in Monmouthshire with over 25% of children living on poverty, a large area with 20 – 25% of children living in poverty and the rest of the county with between 15 – 20% of children living in poverty;
 - The distribution of Free School Meals families broadly reflects the pattern of the distribution of children living in poverty with a high concentration in the main towns and some rural pockets reflecting larger, hidden poverty especially when the associated higher costs of transport, broadband and food are considered.
 - The distribution of the three main Registered Social Landlords (RSLs) in Monmouthshire (Monmouthshire Housing Association, Pobl and Melin Homes) also mirrors the distribution of Free School Meals families. Whilst providing much needed social support for tenants the RSLs also provide hardship funds, the uptake of which has shown a sharp increase during the Covid 19 crisis as would be expected.
- 2.6.8 As described, there is no single measure which can effectively capture the extent or severity of poverty within Monmouthshire. Fundamentally, poverty is an experience which is qualitative in nature (i.e. having sufficient resources to live a good quality of life) rather than quantitative. However, there are a number of quantitative measures which, when considered

collectively, can give a useful indication of trends around household income and, by extension, likely changes in the experience of poverty in the county.

Some of these measures are set out below in Table Four, with information about the latest data in Monmouthshire (as at September 2020). Working in partnership with other organisations and with our communities, we will seek to continually track, develop and refine these measures to give us the best indication possible of poverty and inequality in Monmouthshire.

Table Four: Quantative Key Performance Indicators

Indicator	Data source	Position as at September 2020
Number of households below 60% GB median income	CACI Paycheck estimates	9,076
Number of households below 50% GB median income	CACI paycheck estimates	6,713
Number of people in receipt of Universal Credit: not in employment	DWP Statexplore	3,202
Number of people in receipt of Universal Credit: not in employment	DWP Statexplore	2,063
Number of live applications on housing register	MCC Homesearch quarterly report	3,387
Number of housing gateway referrals		
<i>Measure of disability (under development)</i>		
Number of children in receipt of free school meals	MCC education database	1,379

3.Strategic Context

3.1 A Monmouthshire that works for everyone: Monmouthshire County Council Corporate Business Plan 2017-2022

The Corporate Business Plan sets out the Council’s clear direction and resources required for delivery, informing and shaping a series of enabling and delivery plans focussed on People; Digital; Economy; Customers, Land and Assets.

The overall **purpose** of the Council is:

We want to help build sustainable and resilient communities that support the well - being of current and future generations

The Council’s five organisational goals which also serve at the Council’s Well-being Objectives, set out the aspirations and the actions necessary to deliver on them and identify the future we want. Of the five priorities the one that is the most appropriate for the Tackling Poverty and Inequality Action Plan is:

D: Lifelong well-being

Within the priorities there are specific actions which give context to the ambitions for the Tackling Poverty Action Plan as detailed below:

Action	Purpose
THE COUNCIL WORKS COLLECTIVELY TO DELIVER ON SOCIAL JUSTICE, ENABLING PROSPERITY AND REDUCING INEQUALITY BETWEEN COMMUNITIES AND WITHIN COMMUNITIES	Continue to develop programmes to tackle poverty addressing worklessness and in-work poverty through schemes such as the Skills at Work programme. <ul style="list-style-type: none"> • Ensure that all council policies services are focused on ensuring equity of access • Promote equality and diversity and ensure opportunities are genuinely available to all • Support and enable the development of community-led plans and placed-based working to improve well-being and increase prosperity.

3.2 People, Place, Prosperity: A Strategy for Social Justice 2017 -2022

This Strategy demonstrate the Council’s commitment to address inequalities in the county in order to make our society function better. The Strategy provides an approach that will help turn lives around by removing barriers and facilitating practical support and solutions to enable citizens to realise their full potential. This Action Plan supports the ambition of the Strategy and will be the sister document to the forthcoming Food Development Action Plan the aim of which will seek to reduce food insecurity in the County.

3.3 Gwent Homelessness Strategy

Under the Housing (Wales) Act 2014, it is a statutory requirement for the Council to publish a Homelessness Strategy that sets out its plans to prevent and tackle homelessness in their area. The Gwent Regional Homelessness Strategy 2018-2022 and Action Plan, includes Monmouthshire specific actions setting out the approach for tackling homelessness across Gwent. The report also includes a regional review of homeless services for Gwent, which informed the development of the strategy.

3.4 Welsh Government, Prosperity for All

Welsh Government consider delivering ‘Prosperity for All’ as part of their mission defining prosperity as ‘Not just about material wealth but about ‘every one of us having a good quality of life, and living in strong, safe communities’. One of the four themes of the strategy is ‘Prosperous and Secure’, their aim being to *‘drive a Welsh economy which spreads opportunity and tackles inequality, delivering individual and national prosperity. We will enable people to fulfil their ambitions and enhance their well-being through secure and sustainable employment. We will break down the barriers many face to getting a job, and create the right environment for businesses to grow and thrive’.*

3.5 Child Poverty Strategy for Wales

In 2015, Welsh Government produced the Child Poverty Strategy for Wales which set out the Welsh Government ambition to make sure no child is living in poverty by 2020. Welsh Government undertook a review of progress in 2019 which considered an analysis of the Family Resource Survey (2015-16 to 2017-18). The Survey indicated that there are more children living in relative income poverty in working households than there are in workless households – 67% of children living in relative income poverty are in households where at

least one person is working. As a result, 29% of children in Wales live in poverty. The report stated that this is largely because of UK Government austerity cuts and reforms to tax and welfare policies, such as universal credit, the benefit freeze and the two child cap, with single working parent households being particularly susceptible to poverty. In conclusion the report stated that whilst there had been a near 20% drop in the number of workless households in Wales there was still much to do.

3.6 Joseph Rowntree Foundation – Prosperity Without Poverty 2016 – A Framework for Action in Wales

The JRF Framework seeks to answer what it would take to make a dramatic difference to poverty with an aim that by 2030 – *No one is ever destitute; Fewer than one in ten people are in poverty at any one time; and nobody is in poverty for more than two years.* The report written in partnership with the Bevan Foundation, draws on evidence and key recommendations for the UK to set out a framework for action for Wales. It includes measures that should be taken by Welsh Government and Local Authorities, along with measures practices that should be adopted by businesses, actions that should be taken by charities, social landlords and others, and steps that should be taken by individuals to help lower their own risk of falling into poverty.

4. Strategic Partnerships

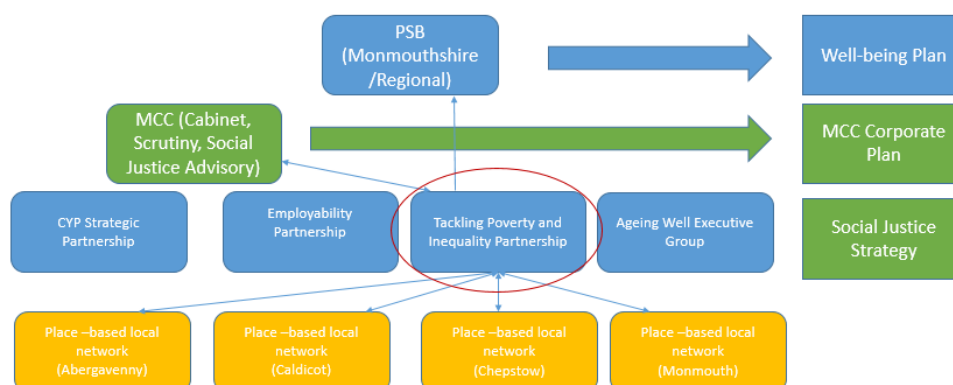
As illustrated throughout this plan, poverty and inequality are complex problems which no single organisation has the ability to solve working in isolation.

The catalyst for driving and delivering the actions set out in this plan will be the Tackling Poverty and Inequality Partnership, which will report directly to the Public Service Board. This Partnership will also link appropriately with other key partnerships which come under the auspices of the PSB.

Through the various MCC service areas that are represented on the Partnership, its work will also be reported to MCC’s Social Justice Advisory Group, Strong Communities Select Committee and Cabinet.

In keeping with the principles of the Social Justice Strategy, co-production will be at the heart of our approach to tackling poverty and inequality; as such we will work with our communities as equal partners, working in a local, place-based way, using the local neighbourhood partnerships to bring the skills, knowledge and passions of local communities to the fore.

Diagram Six: Monmouthshire’s model for Tackling Poverty and Inequality



5. Aim, Activities and Benefits

5.1 The Aim of this Tackling Poverty and Inequality Action Plan:

We will work together to promote equitable prosperity in Monmouthshire and wherever possible to prevent our citizens experiencing poverty.

The Council recognises that despite our efforts, there will be points in people’s lives at which they experience financial hardship. When this does occur services will come together to provide support to make that experience as brief, as infrequent and as manageable as possible, helping people to emerge from that experience with greater levels of resilience.

5.2 In adopting the right approach to promote equitable prosperity, the Council recognises that there will be different layers of intervention as detailed in Figure One below:

Figure One: Layers of Intervention

These different layers of intervention will require differing levels of activity as detailed in Table Five below:

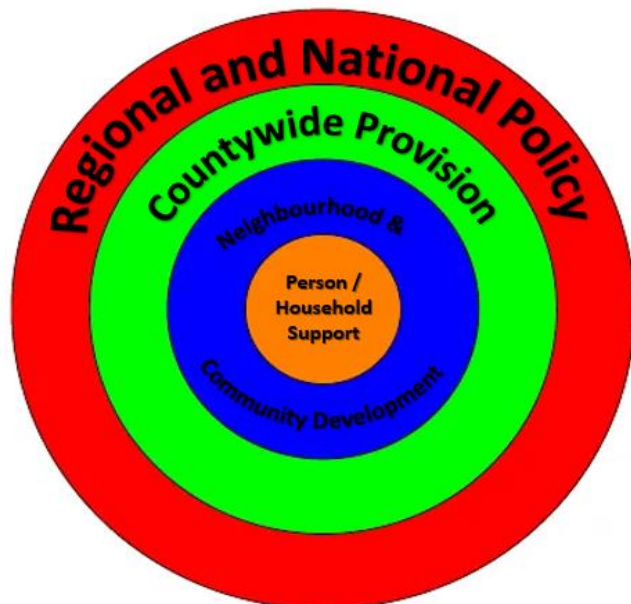


Table Five: Layers of Intervention

Layers of Intervention	Activity
Regional and National Policy	Where we seek to lobby, influence and disrupt in order to address a specific issue e.g. labour market opportunities, welfare provision, cost of housing, etc.
Countywide Provision	Where we seek to connect and enable in order to provide efficient services e.g. in county transport, shared benefit service, housing support, etc.
Neighbourhood and Community Development	Where we seek to create conditions in which people can be supported and thrive e.g. social capital building, community development, community focussed schools, community service provision, etc.
Person and Household Support	Where we seek to provide joined up, wrap around support e.g. Communities 4 work+, Foodbanks, Skills@Work, Housing Support Gateway, debt counselling etc.

5.3 Emerging Priorities

In light of the Covid 19 crisis the emerging priorities for this Action Plan will focus initially upon the following, whilst recognising that the challenge will be to build sufficient humanity into the system to recognise that when people are under financial stress they are not at their most rational:

- Employability skills and employment support;
- Children and young people disadvantaged by poverty;
- Mental health / emotional support / coping skills;
- Equitable support for isolated poverty (including private renters); and
- Crisis prevention: helping people to access support at earliest opportunity, and support to navigate available offer;

These priorities have been developed with partners in response to intelligence that has been gathered on the ground in a rapidly changing environment. They will be kept under constant review and may be subject to change over the life of this action plan. Any such changes will be reviewed by the Tackling Poverty and Inequality Action Group and Partnership on the basis of evidence and a clear rationale.

5.4 Activities and Benefits

The individual activities contained within the Action Plan (Section Six) will be structured around four specific layers of intervention, all of which impact upon the person or household at the centre:

- **Support for individuals, families and households** to include the provision of timely, accessible support to build self- resilience;
- **Creating prosperous and supportive neighbourhoods and communities** to include the development of support measures such as access to debt advice, Community Fridges, Community Car Schemes, Community Focussed Schools activities, etc. to enable communities to build local resilience;
- **A connected county where people and communities can thrive** to include the provision of affordable homes, access to affordable broadband, provision of shared benefits services, etc. to reduce inequality; and
- **Using our leverage to influence the structural causes of poverty and disadvantage** to include creating conditions for a fair housing market, playing an active role in regional partnerships to create opportunities for individuals to flourish, working collectively to influence policy to improve opportunities for prosperity for all, etc.

The Tackling Poverty Action Plan in Section Seven the follows details the activity, the Lead Officer(s), Partners, Progress and the RAG rating.

6. Monitoring and Evaluation

- 6.1 The progress of the Action Plan will be monitored through the Tackling Poverty and Inequality Action Group and the Social Justice Advisory Committee who will monitor the progress of the overarching Social Justice Strategy and associated Food Development Action Plan, both of which will be updated on an annual basis.

- 6.2 A basket of success criteria and measures are being developed that will be tracked in order to monitor improvements and to demonstrate how the actions associated with this Plan are helping the Council to achieve the aim of this Plan which is to **‘work together to promote equitable prosperity in Monmouthshire and wherever possible to prevent our citizens experiencing poverty. We recognise that despite our efforts, there will be points in people’s lives at which they experience financial hardship. When this does occur services will come together to provide support to make that experience as brief, as infrequent and as manageable as possible, helping people to emerge from that experience with greater levels of resilience.’**
- 6.3 The measures we will use to understand the changing picture of poverty in Monmouthshire will include those set out in 2.6.8 above. We are also developing measures which will help us to locally track :
- Poverty depth – using the CACI paycheck to look at distribution, including those slightly above the ‘poverty line’;
 - Poverty persistence – how long citizens are remaining in poverty;
 - Inequality – including income and wealth inequality, its geography and its effects within specific contexts (e.g schools, effect on mental health)
- 6.4 It is important to recognise that the national economic context – particularly in relation to Covid19 and its social and economic consequences – will be felt in Monmouthshire in ways that local strategies will be unable to prevent; it is highly likely that the numbers of households experiencing some form of financial hardship will increase in the coming twelve months. Our success measures, therefore, will include measures such as income maximisation, access to appropriate and timely advice and support, support to gain qualifications etc, rather than absolute measures of financial hardship in the county.

Section Seven: Tackling Poverty and Inequality Action Plan

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
1. Support for individuals, families and households					
Provision of timely, accessible, high quality debt advice	Make sure people get the help they need to deal with their creditors and reduce their debt, leaving them financially sustainable and resilient for the long term.	Ian Bakewell MCC / Torfaen Shared Benefits Service	Citizens Advice, Christians Against Poverty, MHA, Melin, Pobl, United Welsh Working Families, Mind, Housing Support Service	No. benefits entitlement checks completed No. referrals for debt advice via Housing Gateway	
Provision of personal budgeting and financial planning advice	Equip households with the skills to make the best possible use of their financial resources and to plan for the future.	Ian Bakewell – Housing Gateway	Christians Against Poverty, MHA, Melin, Pobl, Housing Support Service, benefits team	No. referrals for financial planning advice via Housing Gateway	
Support for those who are out of work to find employment	Preventing and relieving poverty through access to employment opportunities providing a decent and reliable household income	Hannah Jones, Employment Team	DWP, RSLs, Communities 4 Work+,	No. clients successfully supported to find employment through MCC employability programmes	
Support to improve skills	Access to high quality, dependable employment and pathways	Hannah Jones, Employment Team	Skills@ Work, RSLs – Pathway to Work, Passport to Employment	No. clients successfully supported to gain further qualifications	

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
				through MCC programmes	
Support for families to remain strong and resilient	Family breakdown and stress increases risk of experiencing poverty	MCC – Building Stronger Families	Acorn, Edge of Care, Building Strong Families, children and communities grant services	No families supported through Flying Start, Acorn and Building Strong Families projects	
Housing – support to find and sustain tenancies and avoid homelessness	A secure, good quality home is an essential pre-condition for many of the actions which are required to prevent or to alleviate poverty	Ian Bakewell – Housing Gateway	Housing Gateway services, Mind, RSLs	No. referrals to Housing Gateway support	
A network of emergency support for those who are experiencing or on the edge of crisis	Ensuring that people who are experiencing or on the edge of poverty are able to fulfil their basic needs and are kept physically safe and well.	Jude Langdon – Tackling Poverty and Inequality	RSLs, community support (e.g. local hardship funds), Fare Share, Foodbanks, primary care, churches, community hubs, RABI	Total households supported via emergency support networks and services in Monmouthshire	
Digital skills development	Giving individuals and households the skills and the confidence to interact digitally, in order to access employment, skills development opportunities and benefits entitlement	Ryan Coleman – Tackling Poverty and Inequality	GAVO, RSLs, DCW, Community Learning,	No. people in total engaged in digital skills projects	
Mental health support	Poor mental health is both cause and an effect of poverty and low income.	Sharran Lloyd - Community and Partnership Development Team	RPB, PHW, Mind, ABUHB Primary Care and SCH		

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
		Manager with Gwent Community Psychology			
Creating prosperous and supportive neighbourhoods and communities					
Provision of budgeting and financial planning advice	Creating an environment in which good financial planning is spoken about, information is readily available and knowledge is shared	Ian Bakewell – Housing Gateway	Moneywise, CAP courses, Gateway CU products	No. referrals for financial planning advice via Housing Gateway	
Promotion of emotional and mental wellbeing services	Poor mental health is both cause and an effect of poverty and low income. Creating a neighbourhood environment which supports good mental health is a protective factor in supporting individual and community resilience	Tackling Poverty and Inequality Manager – working with Gwent Psychology Service	Mind, employers, Community Psychology Service	Delivery progress of specific wellbeing projects	
Community Fridges/Community Food Hubs	<p>Access to healthy and nutritious food and the skills to eat healthily. Developing ‘community fridges’/community pantry programme and expansion of Fare Share Programme in four towns across Monmouthshire in partnership with the local community and housing associations.</p> <p>Hubs will be based around food – offering a community fridge to develop a wider partnership approach marrying up local</p>	Rural Programme Food Development Officer and Tackling Poverty and Inequality Lead	Partners to include financial/debt support (e.g. CAB), mental health sessions (e.g. MIND), coffee morning drop in (e.g. Re-engage), cookery classes (e.g. Foodbank), lunch club (e.g. Chepstow Community	Delivery underway although currently paused due to Covid-19 restrictions	

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
	community groups, established charities and other third sector groups to address local social issues linked to food. The hub could also offer opportunities to signpost people to other sources of support in MCC or wider.		Focused Schools Approach), as well as other social activities based around food.		
Community Development	Strong, connected communities promote personal and household resilience. Strong individual social capital is a predictor of a range of positive outcomes including employment, health, housing and educational attainment	Owen Wilce – Community and Partnership Development Team	MCC CPD team, RSLs, Bridges, GAVO, churches, wider community	Community projects initiated through place-based neighbourhood networks	
Community Car Schemes	Friendly, flexible, door-to-door transport for people who require additional support getting to local shops, social activities or appointments – keeps people connected and prevents loneliness and isolation	Owen Wilce – Community and Partnership Development Team	Bridges / Volunteering for Wellbeing	No. clients supported through scheme	
Community Focused Schools	Developing connections between schools and their wider communities in order to create opportunities for young people to benefit equitably from the social capital of the county	Ryan Coleman – Tackling Poverty and Inequality Lead / Sharon Randall-Smith – MCC Education	MCC Community Focused Schools	Update on specific programmes delivered through CFS programmes (including developing support for closing attainment gaps	

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
				resulting from school closures).	
SHEP – School Holiday Enrichment Programme Provision of food & nutrition education, physical activity, enrichment sessions and healthy meals to children in areas of social deprivation during the school summer holidays.	Provision of free healthy breakfasts and free healthy lunches to primary aged children (5-11 years) as part of a structured play provision to 80 children per site per day on 19 days of the school summer holiday period.	Mike Moran, Community Infrastructure Coordinator (MCC play lead) Tel: 07894 573834 Email: mikemoran@monmouthshire.gov.uk	Welsh Government (WG) Welsh Local Government Association (WLGA) Aneurin Bevan Health Board (ABHB) Dietetics Service Gwent Psychology Service Participating Primary Schools Town and Community Councils (in 2019, 11 of the 33 councils participated – in 2020, 15 councils had “signed up” before the scheme was cancelled due to Covid-19)	SHEP operated for the first time in Monmouthshire in 2019 at two sites, with attendances/meals delivered totalling 2,494. The take up of places available at Overmonnow Primary School was 97% and at Thornwell Primary School 66%.	Amber – Scheme paused due to Covid 19

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
A connected county where people and communities can thrive					
Provision of quality affordable homes	A secure, good quality home is an essential pre-condition for many of the actions which are required to prevent or to alleviate poverty	Mark Hand / Ian Bakewell – MCC Place making / Housing	RSLs	No. additional units of affordable housing developed (annual)	
Rural broadband / digital infrastructure	Ensuring equitable access to the opportunities provided by high speed broadband	Mike Powell – Rural Development Programme	RDP		
Developing the foundational economy – public service procurement	Utilising public resources to secure the maximum possible benefit for the local economy and environment and supporting the development of local opportunities.	Scott James – MCC Procurement and Commissioning	PSB	In development	
Investment in in-county and out of county public transport	Providing the infrastructure that allows equitable access to employment, learning and cultural opportunities	Mark Hand / Richard Cope	MCC PTU		
Provision of Shared Benefits Service	Ensuring that citizens are able to swiftly access all the resources to which they are entitled	Richard Davies – MCC/Torfaen Shared Benefits Service	MCC	No. clients supported to access benefits	
Working with CYP Strategic Partnership to fully understand impact of poverty on children, young people and families.	Provide evidence base and understanding to design services which recognise and address impacts of poverty in the lives of children and young people	Tackling Poverty and Inequality Lead / CYP Strategic Partnership lead	Tackling Poverty Partnership / CYP Strategic Partnership	In development	

Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
Communications campaign to promote existing services to support people experiencing financial and related hardship	Ensuring that citizens are able to swiftly access all the resources to which they are entitled – particularly those who have never had cause to access provision before. Encouraging people who are struggling to seek help at earliest possible opportunity.	Tackling Poverty and Inequality Manager / MCC Communications and Marketing team	Tackling Poverty Partnership	Campaign reach and effectiveness	
Voices, experiences and assets of those who are experiencing and have experienced poverty within Monmouthshire are brought to the fore through meaningful co-production	To ensure that services and projects reflect the experiences of and utilise the skills of people they are designed to support.	Tackling Poverty and Inequality Manager	PSB, Tackling Poverty Network	Tackling Poverty and Inequality network established Specific projects resulting from network	
Recommissioning of WG flexible funding grants in line with emerging priorities	Aligning funding and resource with need in the most effective way possible to prevent and tackle homelessness and poverty	Lyn Webber – Flexible Funding Manager	MCC	Progress of CCG and HCG recommissioning	
Using our leverage to influence the structural causes of poverty and disadvantage					
Creating the conditions for a fair housing market	Delivery of revised Local Development Plan Creation of a publicly owned housing company which can counteract unhelpful or socially unjust market forces	Mark Hand / Deb Hill Howells	PSB priority	Progress of revised LDP against plan No. new affordable housing units proposed though revised LDP	

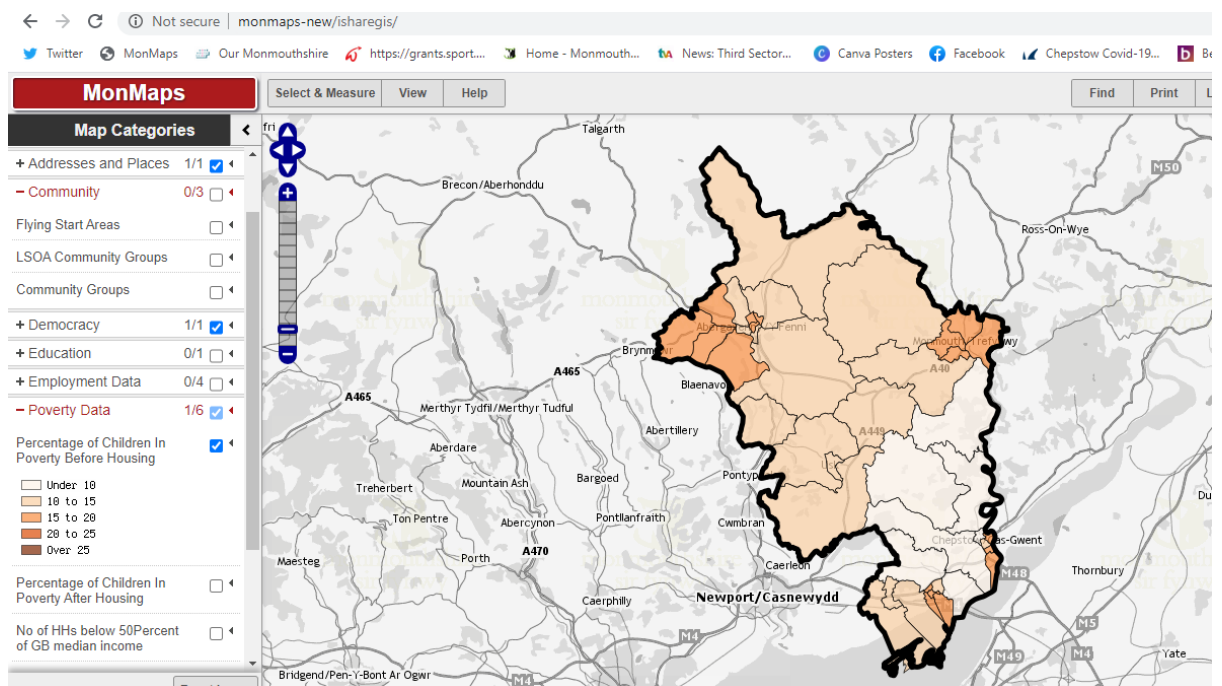
Action	Purpose	Lead Officer (MCC)	Partners	Measure / Progress	RAG Rating
				Progress of MCC housing company / investment proposal	
Working as a regional partner to develop employment and other infrastructure which creates the opportunities for people to flourish	Cardiff Capital City Region projects	Cath Fallon / Frances O'Brien	Cardiff Capital Region partners	Progress of CCR projects	
Working collectively to influence national policy to recognise the social impact of inequality through the provision of a specific grant	The effects of extreme wealth and income inequality are corrosive and impact on almost all areas of social and public policy	Tackling Poverty and Inequality Manager	PSB	Key areas for collective campaigning identified and clarity of shared messages established	
Investigate the extent and effects of income and wealth inequality across Monmouthshire's communities.	Evidence shows that high levels of income inequality within and between communities can have a corrosive effect on many social outcomes. It can also perpetuate forms of social injustice. In order to develop effective and widely-supported interventions we require a deeper understanding of the current situation.	Tackling Poverty and Inequality Manager	PSB	Report to PSB and MCC Members completed	

Appendix A – Defining Poverty in Monmouthshire Data

1.1 Children in poverty in Monmouthshire, before housing costs

Diagram one below details children living in poverty before housing costs there are large areas across Monmouthshire with less than 10% of children, a significant area with between 10 – 20% of children and a large area with 20 – 25% of children.

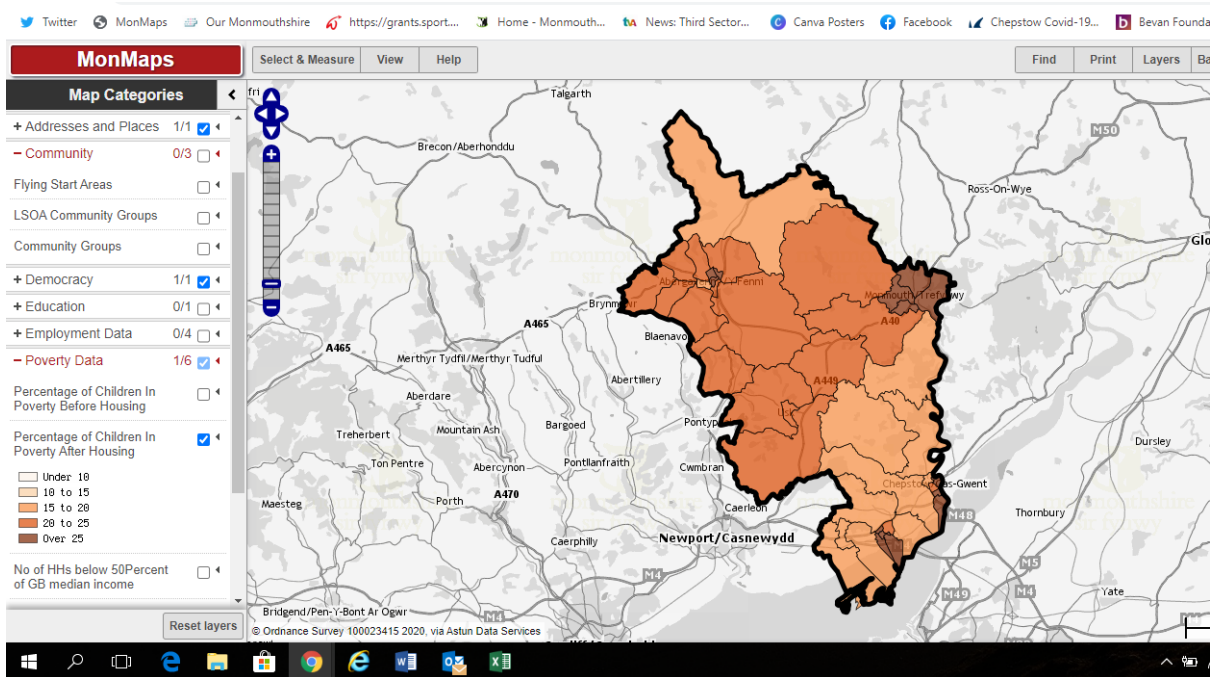
Diagram One – Children in Poverty in Monmouthshire, before Housing Costs



1.2 Children in poverty in Monmouthshire, after housing costs

When housing costs are included, the number of children living in poverty increases significantly. There are several large pockets in Monmouthshire with over 25% of children living on poverty, a large area with 20 – 25% of children living in poverty and the rest of the county with between 15 – 20% of children living in poverty as detailed in Diagram 2 below:

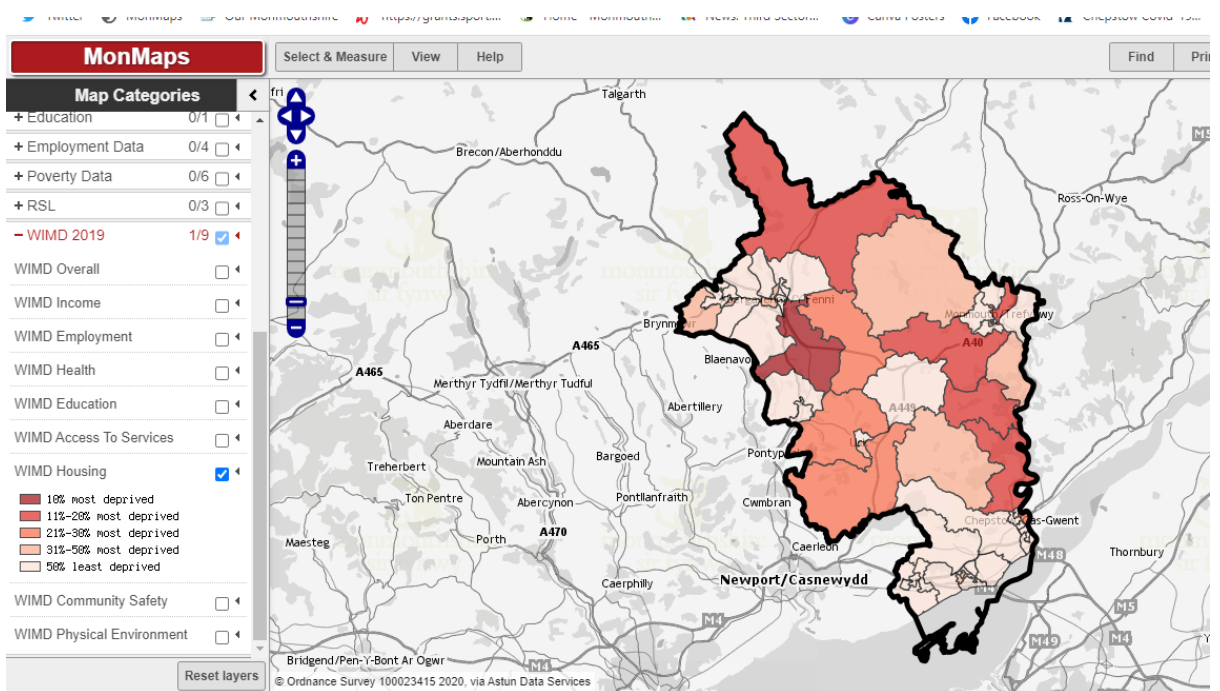
Diagram Two - Children in poverty in Monmouthshire, after housing costs



1.3 Registered Social Landlords

The distribution of the three main RSLs in Monmouthshire (MHA, Charter and Melin) mirrors the distribution of FSM families i.e. largely across those more deprived areas. The RSLs provide much social support for their tenants and have staff whose role is specifically around community development. Diagram Three below compares the RSL distribution with the WIMD data for housing in Monmouthshire.

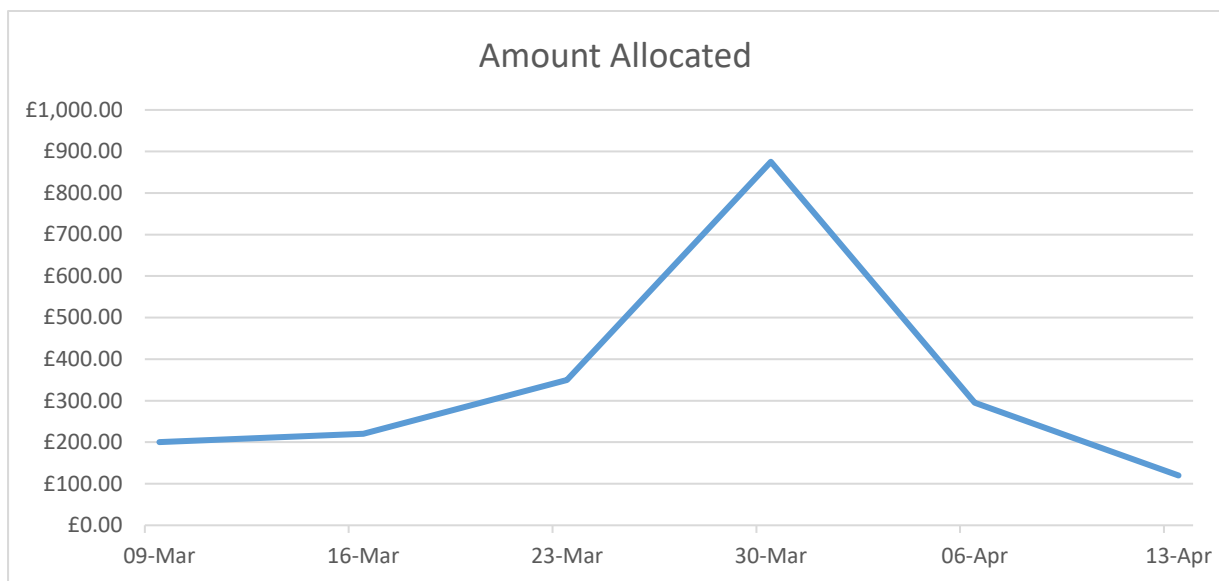
Diagram Three – RSL Distribution



1.4 RSL Hardship Funds

Additionally, the RSL have hardship funds that are accessible to their tenants in times of exceptional need. One of the local RSL has given data for the uptake of the hardship fund over the last few months as detailed in Diagram Four below. Again, there is a spike in money allocated during the peak of the first Covid 19 crisis, but it is important to highlight that there is a regular average paid out each month to tenants – reflecting a wider, ongoing need.

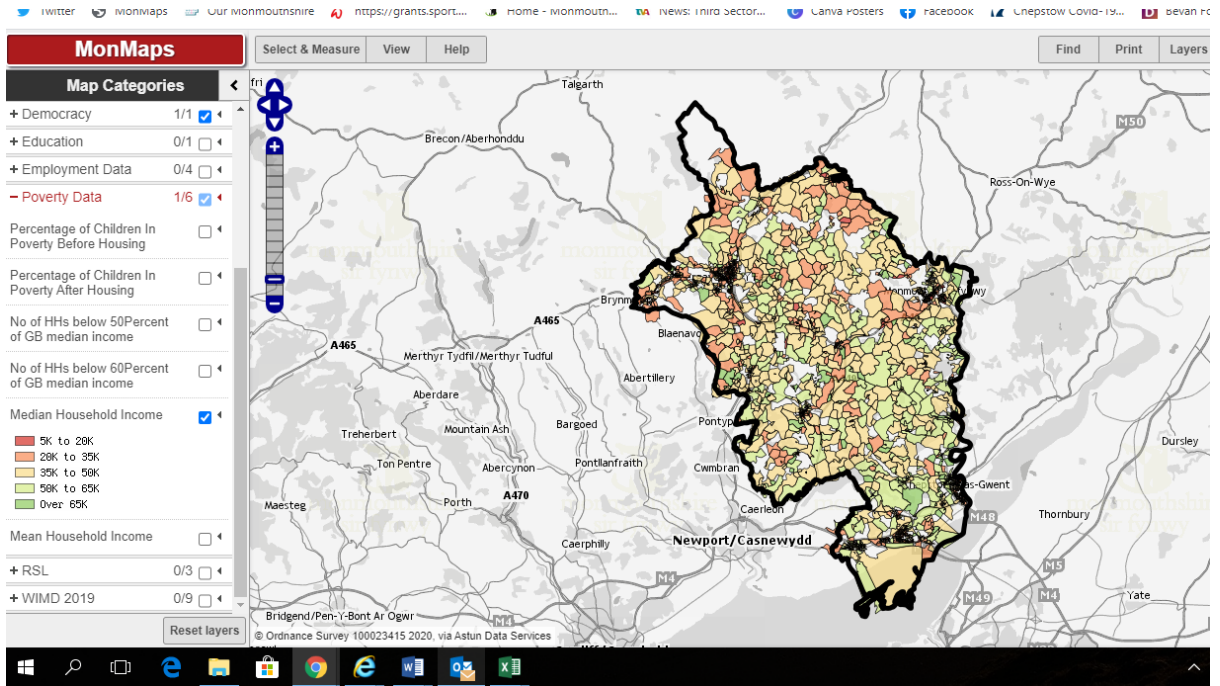
Diagram Four – Distribution of RSL Hardship Funds



1.5 Median Household income

In keeping with the leafy affluent image of Monmouthshire, Diagram Five below demonstrates a wide distribution of £50 – £60K and over £60K income households.

Diagram Five – Distribution of £50k+ income



A closer look at Diagram Six demonstrates a large distribution of households in the £20k – £ 35K and £35 – £50K.

Diagram Six - £20k - £50k 35k and below

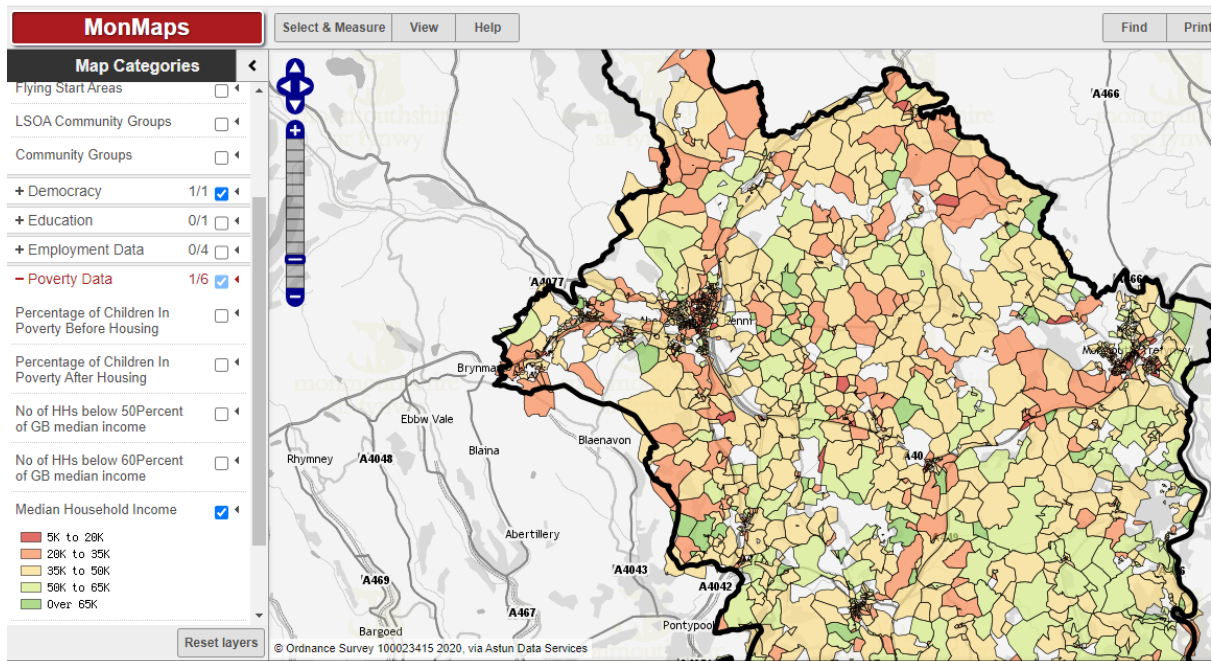
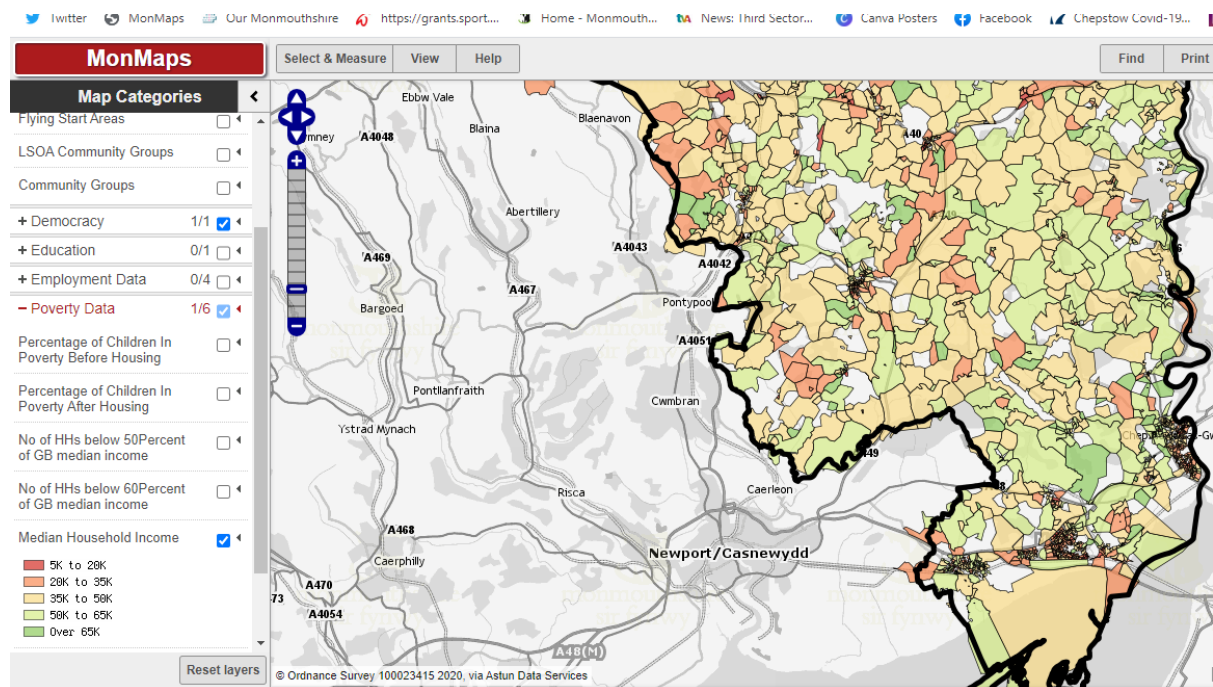


Diagram Seven - £5k – £20K income range.



Diagrams Eight, Nine and Ten depict the WIMD data for income across the county reflects the median income distribution and shows those areas of higher deprivation focused around the towns.

Diagram Eight – Median Income Distribution and Higher Deprivation around Monmouthshire Towns

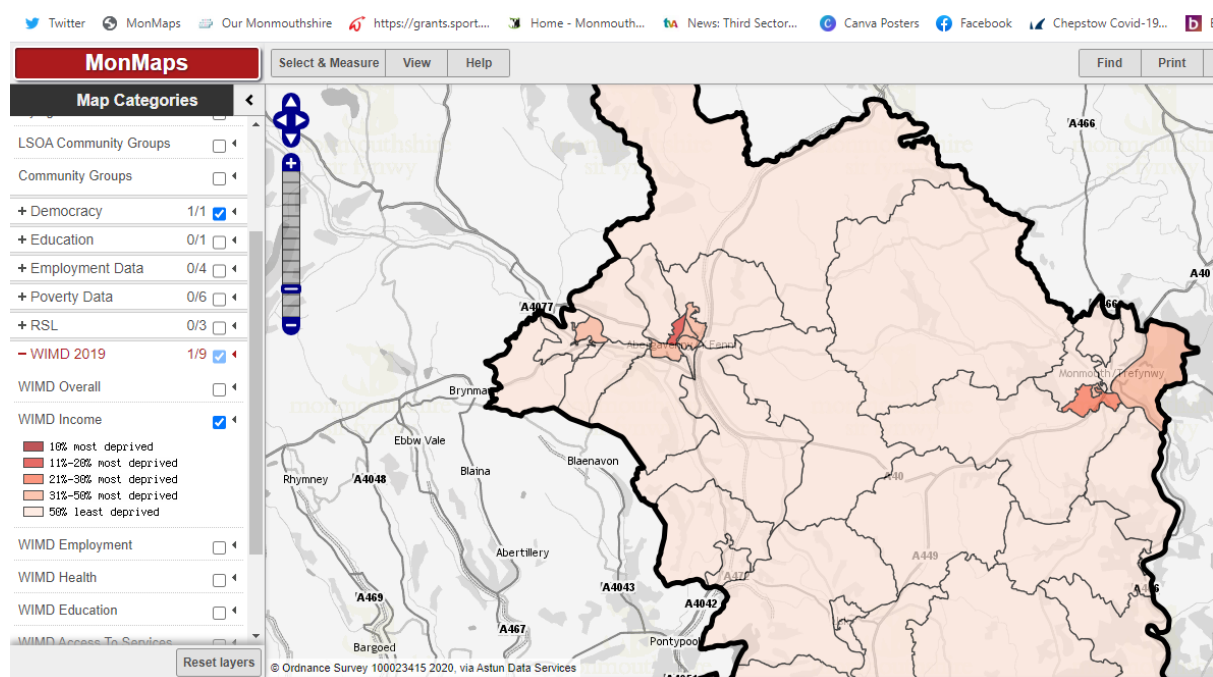


Diagram Nine

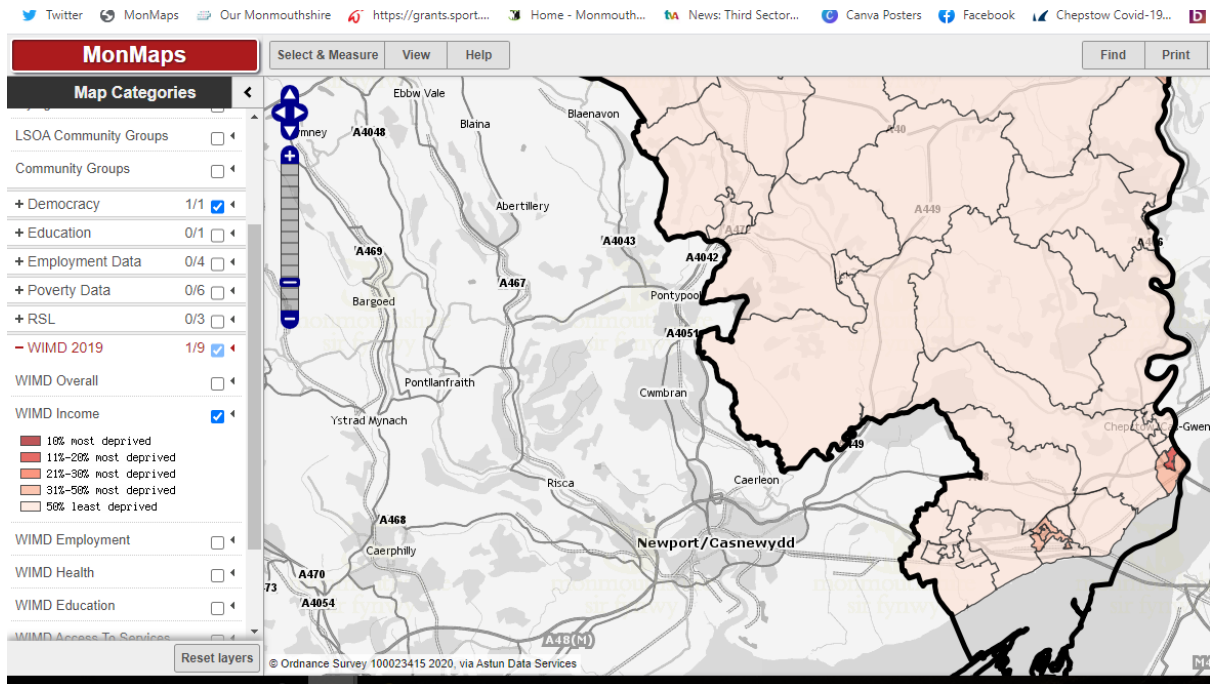
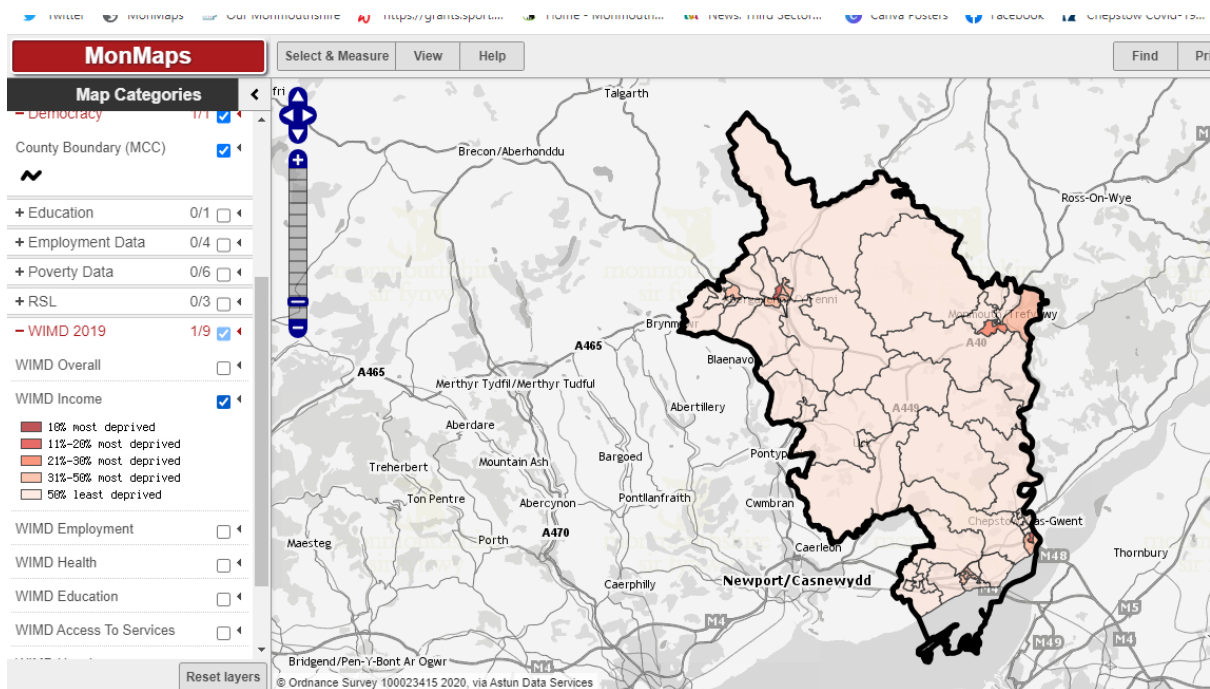


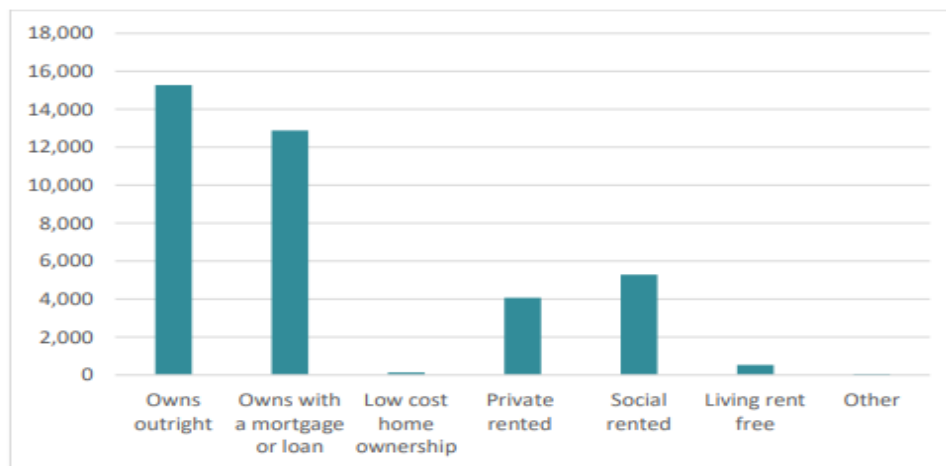
Diagram Ten



1.6.1 Housing

1.6.2 Monmouthshire has a significant number of families living in social or private rented homes. Many of these families will also have been significantly affected by the economic impact of Covid 10 – there is potential here for a large knock-on to family financial circumstances and may lead to an increase in demand for support. A profile of Monmouthshire’s Housing Stock can be found in Diagram 11 below:

Diagram 11: Monmouthshire profile of housing stock

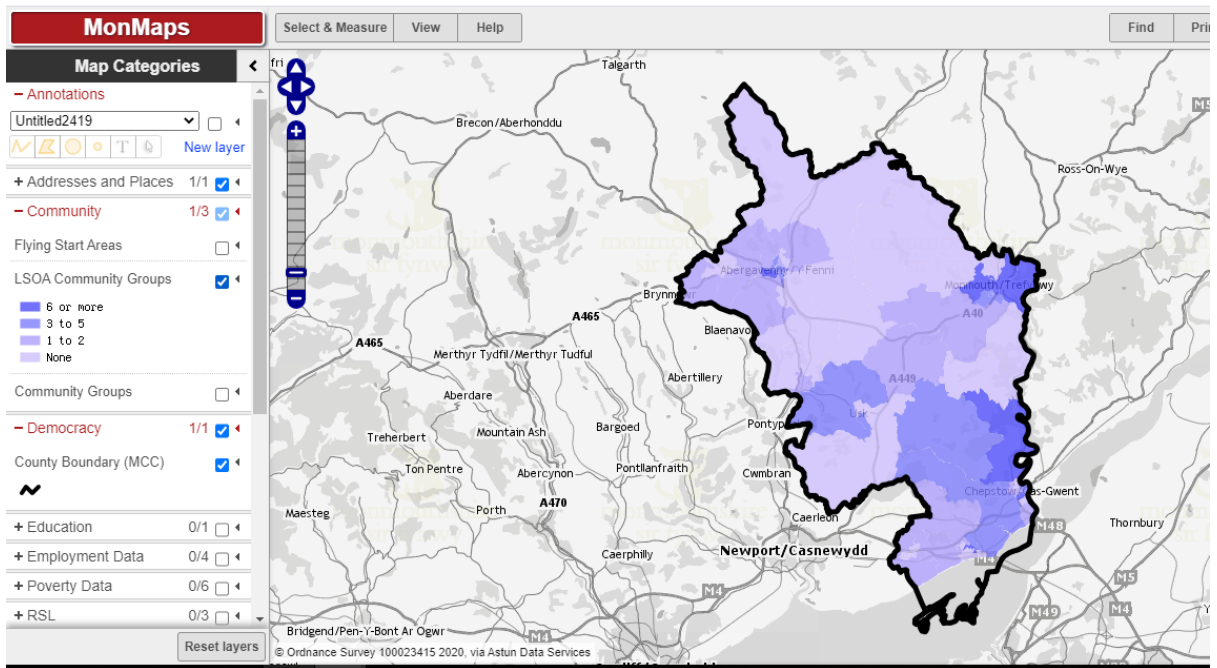


Source: Hometrack September 2018

1.7 Community Cohesion

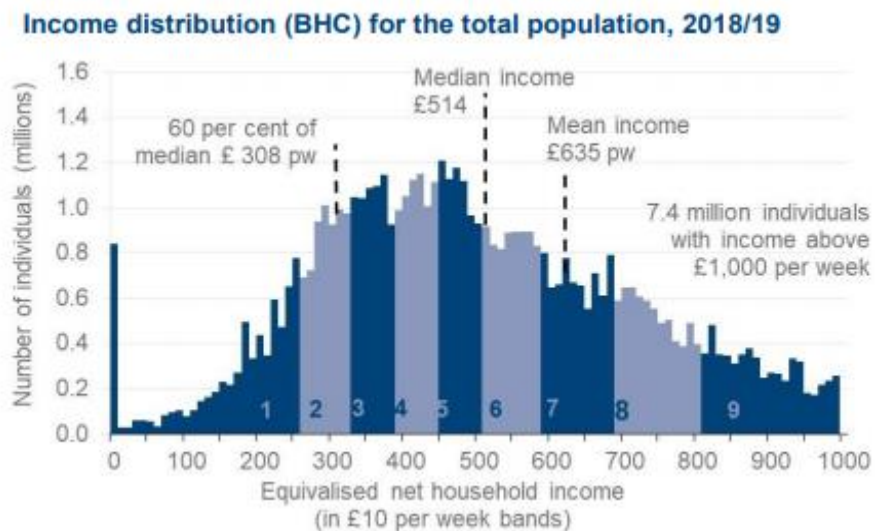
Diagram 12 below demonstrates that community groups are not equally distributed across Monmouthshire. This is something that might affect the ability of place based teams to really connect with people at a local level and through this enable local communities to fully engage in any action plans.

Diagram 12 – Community Group Distribution



1.8 Context of poverty data

It is worth noting that there are a significant number of individuals with relatively high incomes in the UK, and this produces a non-symmetric income distribution curve. As a result, the mean income can be skewed due to these extreme outlier values. The median income (currently £514 per week) is the standard measure of average income. The median represents the income of the individual in the middle of the distribution curve. Relative poverty is typically measured as 60% below or less than this median income level.

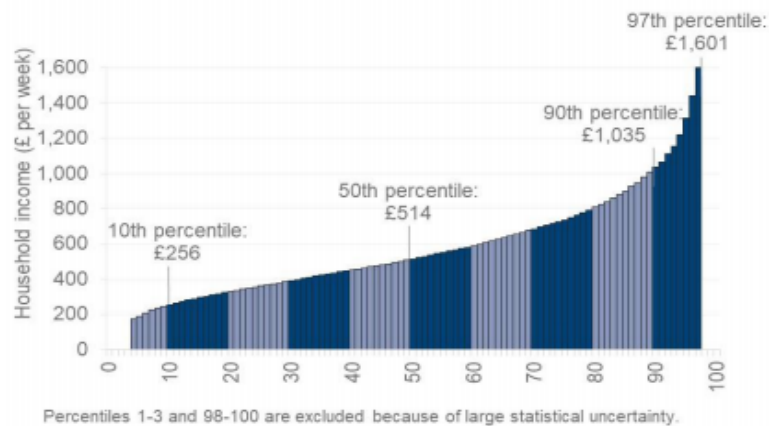


DWP National Statistics: Households on Below Average Income analysis 1994 – 2019

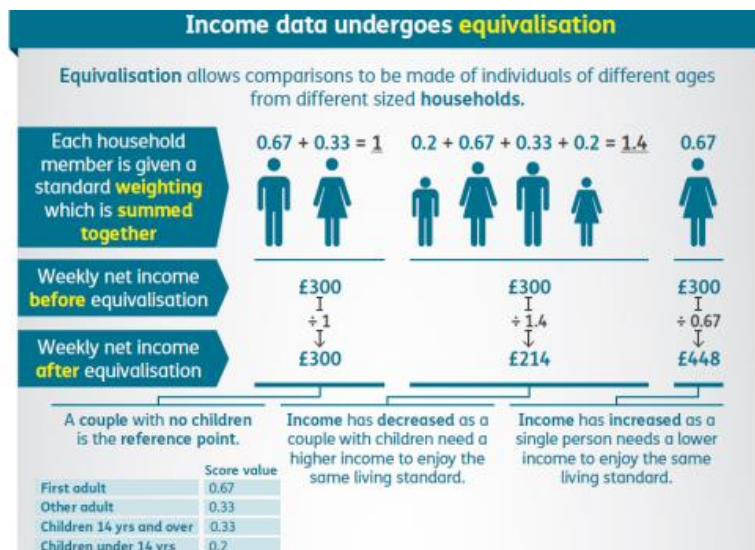
Percentiles divide the population into 100 equal sized groups, when ranked by household income. The chart below indicates the amount of weekly net equalised (see diagram below for explanation) household income needed at each percentile of the UK income distribution. Income before housing costs (BHC) at the 10th percentile is around half of the median (50th

percentile) implying that around 10 per cent of the population have less than half of the median household income BHC. Incomes increase sharply past the 90th percentile BHC. In 2018/19, income at the 90th percentile is nearly double that of the median, whilst the top 3 per cent of the population (97th percentile and above) have at least three times that of the median.

Weekly net equivalised household income BHC by percentile 2018/19



DWP National Statistics: Households on Below Average Income analysis 1994 – 2019



DWP National Statistics: Households on Below Average Income analysis 1994 – 2019

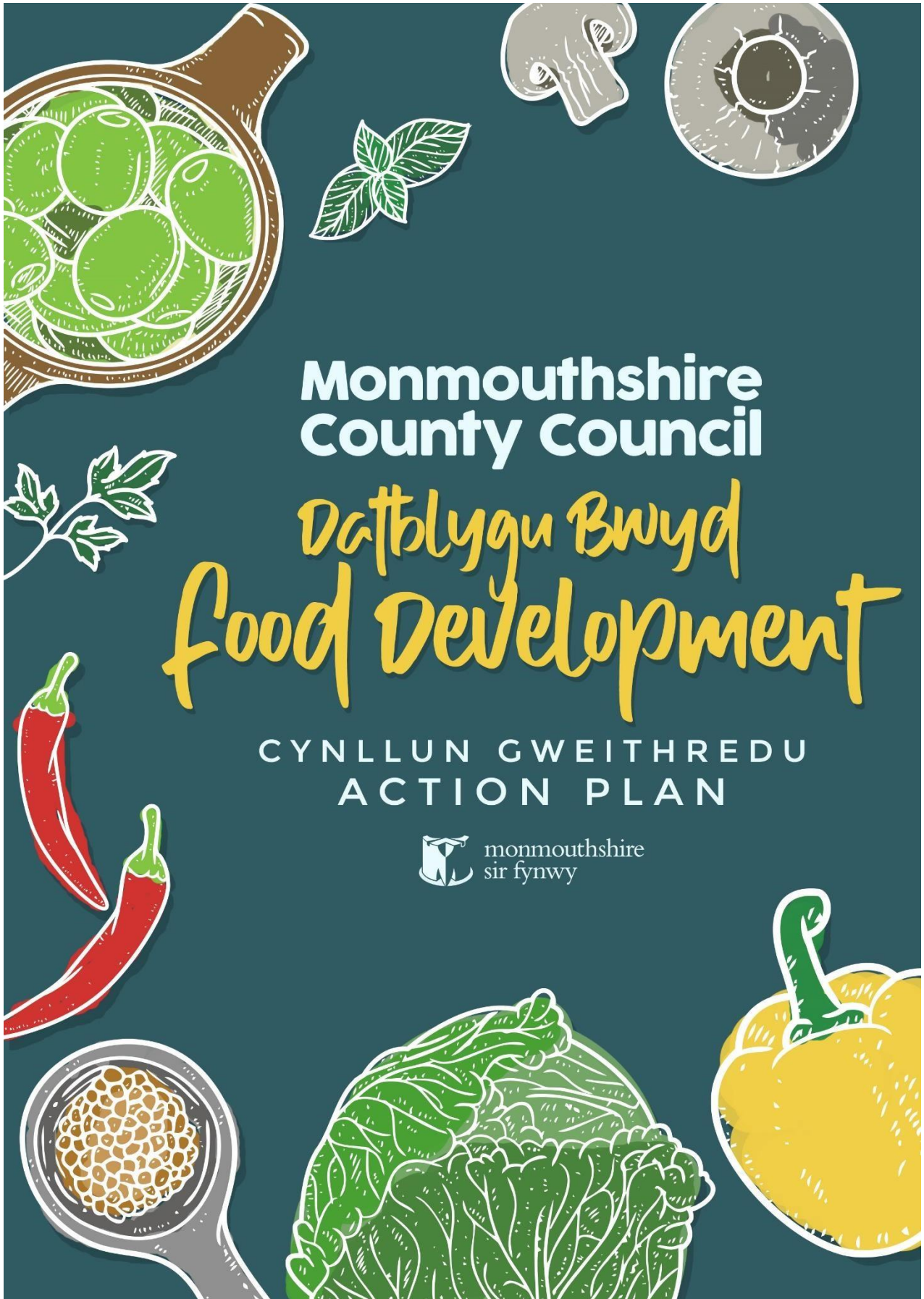
7 Covid 19 Trends - The Resolution Foundation

In their April briefing note, 'Risky Business', the Resolution Foundation outlines some of the key economic impacts of different groups of workers during the first Covid 19 crisis. They found:

- Key workers are disproportionately likely to be female, with employed women more than twice as likely to be in this group as employed men;

- Parents are more likely to be key workers than non-parents, and mothers even more so; 39 per cent of working mothers were key workers before this crisis began, compared to just 27 per cent of the working population as a whole;
- Workers in shutdown sectors are the lowest paid across the workforce. Typical pay for workers in shutdown sectors is less than half that of those able to work from home – £348 a week compared to £707 a week;
- Those in shutdown sectors are younger – their average age of 39 is four years below the average age of those who can work from home. Differences are even more pronounced at the very bottom of the age distribution: nearly two in five of every 16-24-year old who works are in these sectors and for those born after 2000 this figure is over three-fifths;
- Workers with little job security are some of the most likely to be in the most exposed groups. Almost three-quarters of those on zero-hours contracts are either key workers or work in shutdown sectors;
- A similar trend is visible when looking at housing security: private renters, who generally face the greatest insecurity in their housing situation, are 40 per cent more likely to work in shutdown sectors than homeowners; and
- With schools and day-care closed to all except key workers, parents faced extra challenges. People born in the early 1980s are the most likely to be parents of children under nine.

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**Monmouthshire
County Council**

Datblygu Bwyd
Food Development

**CYNLLUN GWEITHREDU
ACTION PLAN**



monmouthshire
sir fynwy

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<p>Food Development Action Plan – ‘Plan on a Page’ Why is this Activity Important?</p>	<p>Who will we work with?</p>
<p>Although referred to as the ‘Food Capital of Wales, due to its excellent reputation for quality food and drink, issues exist within the County which this Action Plan seeks to address, namely:</p> <ul style="list-style-type: none"> • A lack of continuity, volume, quality and connectivity in local food supply chains; • A lack of infrastructure and strategic coherence in sustainable land use and food production to help the County to supply and sustain itself; • A lack of opportunities to bring smaller producers into the current ‘public plate’ offer due to their current inability to provide continuous volume, at a competitive price; • Current public sector procurement pricing strategies focusing on value for money rather than local wealth creation; • A demonstrable increase in food poverty and food insecurity exacerbated by Covid 19; • A need to address the decarbonisation agenda through a reduction in food miles and a greater focus on the sustainable food agenda. 	<p>We will work with a range of partners at all levels to address the sustainable food agenda:</p> <ul style="list-style-type: none"> • Regional and National partners including Welsh Government, Menter a Busnes, NFU, FUW, Cardiff Capital Region City Deal, Sustainable Food Network, Food Manifesto Wales, National Resources Wales • Local Producers and suppliers • Local organisations such as Food Banks (linking to the Tackling Poverty and Inequality Action Plan), farmers, food producers, private sector organisations; • County-wide providers such as Registered Social Landlords, Community Trusts etc. • Schools, Health Board, PSB, catering educationalists and academia to influence change
<p>What will we do?</p>	<p>How will we measure success?</p>
<ul style="list-style-type: none"> • Monmouthshire Food Resilience Data Mapping And Analysis Exercise; • Test Farm to grow and test the profitability of small scale ecological farming techniques; • Increase internal local food procurement through liaison with local suppliers to identify local, sustainable supply chains and business support needs; • Community Wealth Building Through Progressive Procurement/PSB; • Engagement with primary schools for circular pilot project to encompass all phases of food production; • Expansion of community pantry programme; • SHEP – School Holiday Enrichment Programme; • Extension of Healthy Schools/Healthy Eating Programme to implement scratch cooking across all catering outlets/services in the Council; • Monmouthshire Food Partnership share information on the development of the Food Agenda and shape future support for the county. • Maximising additional RDP funding opportunities for food and food tourism businesses. 	<p>The key indicators to be monitored will include:</p> <ul style="list-style-type: none"> • Increase in no. of food businesses engaged to 15; • Increase in no. of local food suppliers regularly supplying produce to MCC -15; • Increase in MCC local food procurement from 20% to 25%; • Establishment of Strategic Food Partnership – moving towards Monmouthshire as a recognised “Sustainable Food Place”; • No. of school children engaged in reducing school food waste 10 in pilot programme – x 2 school clusters; • No. of MCC catering staff trained in ‘scratch’ cooking – 20; • Reduction of food waste by 10% in schools

1. Introduction

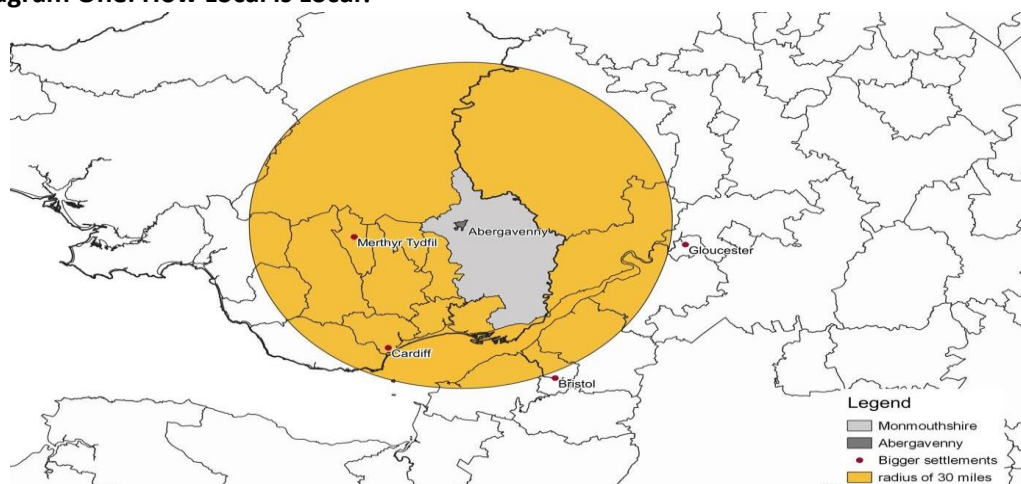
1.1 Known as the 'Food Capital of Wales', Monmouthshire is a 'Taste of Wales Destination' award winner and a county brimming with real, traceable food and drink, numerous high profile chefs and Michelin-starred restaurants. The County's excellent reputation is also supported by the Abergavenny Food Festival which attracts over 30,000 visitors per year. However whilst this is all positive, currently opportunities to increase employment, local wealth creation and reduce environmental food miles are being missed within the County's food sector due to a range of issues such as:

- A lack of continuity, volume, quality and connectivity in local food supply chains;
- A lack of infrastructure and strategic coherence in sustainable land use and food production to help the County to supply and sustain itself;
- A lack of opportunities within the current 'public plate' offer to bring in smaller producers due to their current lack of ability to provide continuous volume, at a competitive price;
- The current public sector procurement pricing strategy which focuses on value for money/cost minimisation rather than local wealth creation, reducing the ability and willingness of small suppliers to engage;

In addition, the Covid 19 pandemic has exacerbated a demonstrable increase in food poverty and food insecurity. These issues will be addressed jointly with actions detailed in this Action Plan alongside the Tackling Poverty and Inequality Action Plan.

1.2 When examining actions that will support local supply chains and reduce environmental food miles, it is important to clarify what is meant by 'local'. Whilst there is no hard and fast definition of local in the context of food supply chains, it is widely considered by industry that local is ideally within a 30 mile radius. In Monmouthshire's case this would take into account not only the wider Cardiff Capital Region, but also the English border counties of Herefordshire, Gloucestershire, Bristol and the South West Region as detailed in Diagram One below:

Diagram One: How Local is Local?

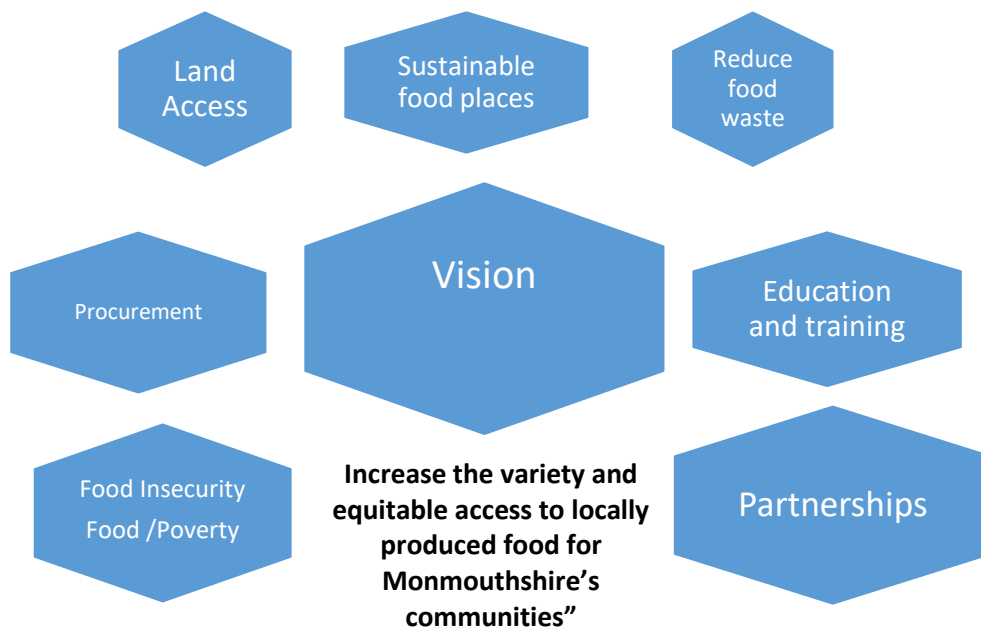


Map showing Monmouthshire's boundaries alongside a 30 mile radius (from Abergavenny) © Lisa Bauchinaer

***Source:** *How local is Local? Rethinking local food and the public plate in Monmouthshire. A study by Aberystwyth University and the Wales Institute of Social and Economic Research and Data*

- 1.3 This is the first Food Development Action Plan for the Council and has been produced to identify a range of actions and measures that will provide opportunities to improve the continuity, volume, range and quality of locally grown produce. The focus of the activities is detailed in Diagram Two below:

Diagram Two: Food Development Action Plan – Focus of Activities



2. Situation Analysis – What is the problem we are trying to solve in Monmouthshire?

2.1 Current Land Use

The vast majority of Monmouthshire’s land is laid over to grassland for livestock, which is predominantly beef, lamb and dairy with some growth over the last ten years in poultry, pigs and goats. Only 20% of Monmouthshire’s land is currently being cultivated for crops which includes barley, wheat, maize, stock feed and other cereals. There are currently nine primary vegetable producing businesses (2017/2018) across Monmouthshire and those selling direct to the public are small in size, the largest being 15 acres. In order to reach a truly sustainable food system, the current dominance of existing food production groups in some sectors may need to shift considerably and a data analysis exercise is therefore being undertaken, to better understand the food/growing landscape in order to identify market opportunities and provide the necessary support to the sector.

2.2 Access to Markets

Despite a strong reputation for high quality local food, there is anecdotal evidence that local food producers selling direct to the public, may find it difficult to compete with supermarkets as the quantity they produce is too small. Supermarkets dominate 90% of the UK food market which is largely due to convenience, choice of product, continuous supply and competitive pricing and their business models are based on highly developed stock control systems and logistics functions.

Unfortunately, this model does not always reflect the complex needs of a truly local supply chain, where flexibility, seasonality and cooperation are key. According to figures from DEFRA, farmers receive less than 8% of the added financial value produced in the food chain and increasingly rely on subsidies, a proportion of which could be at risk following Brexit. As farm to plate food chains have lengthened over the decades and involved more 'actors', more profit has accrued to manufacturers, distributors and retailers with less money being made at the farm gate. These low financial farm gate returns have meant that farmers have, at times, been under greater financial pressure in the market particularly with commodities such as milk, where the return on production costs has been negative during some periods.

There will, therefore, always be a conflict of conscience for the weekly food shopper between convenience and price, over authenticity and the local wealth creating benefits of localism.

2.3 Food Insecurity

Food security "exists when all people, at all times, have physical and economic access to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life".

World Health Organisation:

Despite the county's excellent reputation for food, food poverty and food insecurity exists. Food poverty as a concept is by no means limited to those who have reached a point of food crisis. Other factors affecting access to affordable food and an appropriate diet are the availability of a range of healthy goods in local shops, income, transport, knowledge about what constitutes a healthy diet, and a lack of skills to create healthy meals. During the Covid-19 pandemic, the issue of food insecurity and diet has become more pronounced, exposing the fragility of some people's economic situation and exacerbating food and health inequality.

2.4. Food Poverty

2.4.1 Food Banks

Monmouthshire has four Food Banks, one in each of the county's larger towns. Three of these food banks are co-ordinated by the Trussell Trust and one is affiliated to the Ravenhouse Trust. During the Covid-19 pandemic March 2020 lockdown, the UK Food Bank network reported its busiest time ever with 81% more emergency food parcels being given out across the UK, including 122% more parcels going to families with children, compared to the same period in 2019. This has since tailed off and returned to pre-Covid levels however these trends have been broadly mirrored in Monmouthshire.

2.4.2 Food Larder /Food Pantry

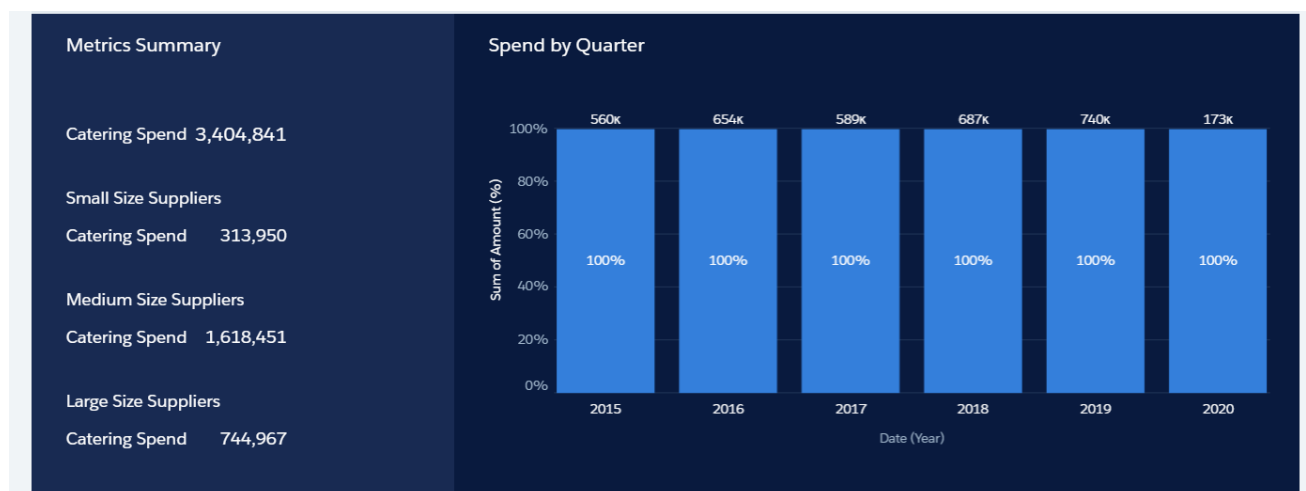
Developed in the community, Monmouth hosts the first of the County's free food larder. The Larder takes waste food from supermarkets and donations of food from the community, offering the items to whoever needs them. This alleviates the stigma of engaging with a Food Bank if in need and reduces food waste. This is being considered for replication across the county, taking into consideration the different community aspirations.

2.5 Food Procurement

2.5.1 As a Council we also need to consider our own socio-economic duty to drive change and deliver better outcomes for those who experience socio-economic disadvantage. As one of the biggest purchasers of food in Monmouthshire (in 2019/20 the Council spent £433k with external food suppliers), we need to do all we can to work with our local suppliers. We need to identify our food suppliers and their supply chains to understand if they wish to scale up production to supply the Council and to understand what support they will need to do this. As a Council we also need to inform them of the type of ingredients we need in order to produce locally sourced meals for our meals services. This will include considering the seasonality of our own menus, flexibility to introduce changes in ingredients to accommodate the restrictions on smaller suppliers, etc. We will therefore need to open up discussions with our local suppliers to understand firstly if they wish to supply the Council and if not, why not so we can understand what we can do to assist, ensuring that we make evidence based decisions to enable us to make a commitment to contracts at a later date to ensure the sustainability of our local producers.

2.5.2 As a Council we also need to consider our own food procurement, our own public plate. We need to ensure we are offering the best food we can as part of our catering service offer. Further development and work is required with our local suppliers to help them understand what we need on our menus to enable us to procure fresh local produce and put Monmouthshire food into our Monmouthshire schools and meals services. And there is work for us to do. The Council's current third party on contract food expenditure in 2019/20 was £433k of which 20% was spent locally, there is therefore room for improvement. Table One below details the Council's Third party food procurement expenditure for the last five years.

Table One: Monmouthshire County Council Third Party Food Procurement Expenditure 2015-2020



3. Situational Analysis – Welsh Food and Drink Industry

The food and drink supply chain is a key part of the Welsh economy ([Business Wales: Economic Appraisal of the Welsh Food & Drink Sector 2017](#)). The industry employs more than 240,000 people, in 27,575 business units with a turnover of £19.1bn. Exports totalled £0.436bn, Ireland, France, Germany, Netherlands, and Belgium being the top 5 destinations with Welsh retail sales of food and drink at £5.4bn. The sector in Wales represents 18% of all Wales employment; 22% of

the total number of business units in Wales; 18.4% of turnover of the non-financial business economy in Wales (against a UK average of 13.5%) with 4.2% of the turnover of the UK food and drink sector. The Food and Farming Sector which represents primary production and farming only, is a small sector of the industry, representing 79,900 workers if all farmers and agricultural workers are included and a turnover of £6.9bn.

4. Capitalising on Opportunities – The Food Development Action Plan

- 4.1 Within the existing landscape there is clearly potential to bring new food products to market in Monmouthshire as well as divert some of the raw commodity (meat, milk, vegetables, fruit and possibly grain) away from the mainstream supply chain to the Monmouthshire plate (both public and private). However, many producers are hesitant to trial new products due to the cost of setting up processing facilities and have become accustomed to operating in the mainstream food system with poor profitability. Farmers selling into the mainstream have become ‘price takers’ rather than ‘price makers’ with relatively little power to change the status quo. Linked to this situation is the lack of a local processing plant and the demise of slaughtering facilities in Monmouthshire. Apart from a few exceptions, Monmouthshire food, especially meat and dairy, wine, cider and beer is processed outside of the county and often out of Wales, due to a lack of facilities in the region.
- 4.2 Evidence also suggests there is more to be done to educate and inform local residents and visitors of the benefits of locally produced, accessible and affordable food. There needs to be better communication centred on its freshness and taste; the environmental and cost benefits of reduced transportation; and the increased opportunities for building resilience within the local economy through job safeguarding and creation. Making more locally produced food available can contribute to improved food resilience and security in the locality, which will be of growing importance in the context of factors such as Brexit (as we import 27% of our food from the EU), and also climate change with its impacts on food production in countries from which we import food. Transporting food from other parts of the world can also impact on limited resources such as fossil fuel and water.
- 4.3 Taking all these factors into account the vision for Monmouthshire County Council’s Food Development Action Plan is to:

‘Increase the variety and equitable access to locally produced food for Monmouthshire’s communities’

In order to deliver the vision, a range of actions have been identified that will look to balance some of these issues highlighted within the Situational Analysis above, alongside some of the market opportunities identified and set out a way forward. In doing so, a number of actions and measures have been developed which will seek to improve the continuity, volume, range and quality of locally grown produce within the County

- 4.4 The activities within the action plan will focus on the following **guiding principles**:
- Building sustainable, local economic growth through the provision of support for local food businesses and sharing of intelligence to help boost local procurement opportunities and create more jobs;
 - Improving diversity and usage of land for food production to improve self-sufficiency whilst conserving and enhancing our natural resources;
 - Considering how food is produced, packaged, distributed and disposed of in order to reduce waste, energy consumption and increase recycling and composting; and

- Improving food security and the health and wellbeing of Monmouthshire residents through increasing the availability of fresh, local, affordable produce.

4.5 The Plan will also serve to provide strategic context and direction in improving sustainable land use and food production in the County, building on the ambition of Monmouthshire’s Climate Emergency Strategy, Social Justice Action Plan and key National and Local Partnership agreements, whilst working alongside the Tackling Poverty and Inequality Action Plan in addressing food insecurity and food poverty.

5. Strategic Context

5.1 A Monmouthshire that works for everyone: Monmouthshire County Council Corporate Business Plan 2017-2022

The Corporate Business Plan sets out the Council’s clear direction and resources required for delivery, informing and shaping a series of enabling and delivery plans focussed on People; Digital; Economy; Customers, Land and Assets.

The overall **purpose** of the Council is to develop:

We want to help build sustainable and resilient communities that support the well - being of current and future generations

The Council’s five organisational goals which also serve at the Council’s Well-being Objectives, set out the aspirations and the actions necessary to deliver on them and identify the future we want. Of the five priorities the one that is the most appropriate for the Food Development Action Plan is:

A: Thriving and well-connected county; and

Within the priorities there are specific actions which give context to the ambitions for the Food Development Action Plan as detailed below:

Action	Purpose
THE COUNCIL DEVELOPS AND DELIVERS A NEW ECONOMY AND ENTERPRISE STRATEGY	Raise the profile of Monmouthshire, support and grow the foundational economy including developing proposals for shorter supply chains to benefit consumers and growers.
THE COUNCIL UNLOCKS ECONOMIC VALUE OF ITS SPENDING POWER	Review our procurement spend, improve analysis of expenditure, encourage and support the creation of local supply chains where possible. Minimise the long-term impact of our activities by using resources where they are needed, reducing waste, recycling materials, increasing local value-creation and focusing on whole life costs.

5.2 Monmouthshire’s Climate Emergency Strategy

Monmouthshire’s Climate Emergency Strategy and Action Plan was adopted in October 2019 and sets out how the Council plans to reduce its carbon emissions to net zero by 2030, as well as

working with communities and partners to reduce wider carbon emissions across the county. The Food Development Action Plan is an important component in helping to address the Climate Emergency, since the Action Plan includes promoting and supporting local food growing, reducing food miles, promoting sustainable land management and agricultural practices and reducing food waste.

5.3. **People, Place, Prosperity: A Strategy for Social Justice 2017 -2022**

This Strategy demonstrate the Council’s commitment to address inequalities in the county in order to make our society function better. The Strategy provides an approach that will help turn lives around by removing barriers and facilitating practical support and solutions to enable citizens to realise their full potential. An action to seek to reduce food insecurity will be included as part of the refresh of the Strategy and the forthcoming Tackling Poverty and Inequality Action Plan, the sister document to this Action Plan.

5.4 **Vale of Usk Local Development Strategy – LEADER**

The Vale of Usk 2014-2020 Local Development Strategy (LDS) is funded via the Rural Development Programme (RDP) and Welsh Government (80%) with 20% match funding support from project sponsors. The territory covers the rural wards of Monmouthshire and Newport. LEADER is a community led programme which aims to improve the quality of life and prosperity of rural areas through the delivery of locally inspired and delivered projects. From a food perspective, the programme provides funding for projects which seek to shorten local supply chains and add value to local identity. Investment from the RDP has enabled the creation of a dedicated Food Development Officer post who will be responsible for delivering this Action Plan.

5.5 **Welsh Government: Towards Sustainable Growth - an Action Plan for the Food and Drink Industry 2014-2020**

The current Welsh Government Strategy for Food and Drink ‘Towards Sustainable Growth’ sets out their ambition to make people passionate about Welsh food and drink, prioritising food safety and standards, sustainable development and supporting the drive for food security. The document was put under review in July 2019, a consultation paper was published and a number of views were received from a variety of stakeholders. The review has been paused due to the Covid-19 pandemic however it is expected to resume shortly when new Strategic Plan for the Food and Drink Industry in Wales will be published.

The proposed mission was agreed i.e. to develop a thriving food and drink industry through working collaboratively with the sector to achieve the following three strategic aims:

- To grow our businesses’ scale, value, and productivity, through targeted investment, support, innovation and co-operative activity throughout supply chains, and by creating strong and diverse routes to UK and export markets;
- To benefit our people and society by providing attractive careers and fair work, committed to developing the skills of the workforce, using resources sustainably, and encouraging businesses to play a part in addressing public health and poverty; and
- To create and communicate a global reputation for Wales as a Food Nation by showcasing our sector through Taste Wales, developing and living our sustainable brand values, widely adopting high production and accreditation standards, and celebrating businesses’ successes.

5.6 UK Government National Food Strategy - <https://www.nationalfoodstrategy.org/>

The UK Government have very recently released Part One of their National Food Strategy, the Government's first review of the food system in 75 years. The purpose of the Strategy is to work with citizens to figure out how to build a more resilient, less harmful food system for future generations. Part One contains urgent recommendations to support the country through the COVID-19 pandemic and to prepare for the end of the EU exit transition period on 31 December 2020. Whilst the governance of food and health is a devolved issue the food systems of the UK are tightly interwoven so many of the issues will be similar so it is important to consider the recommendations in this context, which include shoring up the diets of disadvantaged children and maintaining standards and ensuring scrutiny post Brexit to ensure environmental and animal welfare standards are upheld.

6. Strategic Partnerships

6.1 Monmouthshire Public Services Board

Monmouthshire County Council is a key partner of the Monmouthshire Public Services Board (PSB), whose remit is to improve the 'Social, Cultural, Economic and Environmental' wellbeing within the county for current and future generations. The PSB has committed to working in partnership to deliver the following 'steps' within its wellbeing plan, which complement the 'Food Development Action Plan', these include;

- Working to tackle physical inactivity and obesity in order to increase the health and wellbeing of future generations;
- Improving the resilience of ecosystems by working at a larger scale (landscape) to manage biodiversity and maximise benefits such as natural flood risk management;
- Exploring the potential for specialist centres of excellence in Monmouthshire e.g. food/hospitality, agriculture, tourism and technology

Monmouthshire is well known for its hospitality, agriculture and tourism sectors, which have the potential to be growth areas, in particular for specialist training for excellence. Linked to the "natural environment and climate change" objective within the wellbeing plan, the green economy also has the opportunity to grow in Monmouthshire - renewable energy production and locally sourced food are two such examples. Adapting to the challenges that climate change may have on industries such as food production is also important. Public sector partners have the opportunity to lead the way in further procuring local goods and services where possible, maximising this opportunity regionally and nationally where possible. (Monmouthshire's Wellbeing Plan, 2018).

The PSB welcomed the publication of Welsh Governments long-term strategy [Healthy Weight; Healthy Wales](#) 2020 – 2030, to prevent and reduce obesity in Wales. At a regional level, the annual report of the Gwent Director of Public Health, 'Building a Healthier Gwent' was subject to extensive public engagement, before the final document was agreed. These significant national and regional strategic developments have heavily influenced the PSBs approach in Monmouthshire on tackling obesity; they provide an important framework with which to garner collective efforts as the PSB moves forward.

6.2 **ROBUST**

Monmouthshire County Council is a key partner in the ROBUST partnership which works across both academic institutions and community practitioners. Wales is one of 11 EU counties included in the ROBUST project with WLGA being lead partner and Monmouthshire County Council being the practitioner for sustainable food development. ROBUST partners have recently completed a paper commissioned by Monmouthshire County Council “How local is Local /” which offers an emphasis on buy local /economic and employment effects and effects on procurement. The report can be found [here](#).

6.3 **AGRI-URBAN**

During 2016-2018 Monmouthshire County Council became a partner in AGRI-URBAN an action planning network within the URBACT programme. The network consisted of 11 European cities working towards sustainable food systems. Each partner was required to set up an URBACT Local Group to bring stakeholders together to give a joint perspective on the problems to be faced in the Agriculture and Food systems. In Monmouthshire’s case the activity was centred in and around Abergavenny and the overall purpose was to produce an Integrated Action Plan to act as a guiding vision document, highlighting short term actions and longer term visions necessary to advance the Agri Urban themes in the region. The Action Plan that was produced has been the guiding document for this Action Plan and can be found [here](#).

6.4 **MONMOUTHSHIRE FOOD PARTNERSHIP**

An external Monmouthshire Food Partnership has been developed, including external agencies such as Natural Resources Wales (NRW), Ordnance Survey (OS), Welsh Government, Gloucester and Aberystwyth Universities, individuals and group representatives. This is a fledgling group and will increase membership as appropriate.

The purpose of the group is based on the following actions:

- To act as a focal point for the exchange of information and views on the Food Agenda in Wales, connecting and supporting Monmouthshire /Wales and beyond;
- Develop a shared vision and identify common ground and opportunities for development in the food sector as a Cross Boundary Working Group; and
- To formulate cooperative actions and initiatives which impact on the development and delivery of strategic and local interventions for the sector including development of a Sustainable Food Network

6.5 **MONMOUTHSHIRE COUNTY COUNCIL FOOD PROCUREMENT NETWORK**

Monmouthshire County Council Officers have a Food Procurement Network made up of Officers with a responsibility for the provision of fresh and packaged foods. The group seeks to consider current food procurement operations, food supply chains, the environmental impact of food miles, food safety/complaints and training requirements. The group also share intelligence and map complaints to identify which suppliers are supplying below standard food with a view to removing sub-standard suppliers in order to maintain quality and choice.

The Council is engaging with Caerphilly County Council, who is the Lead for the strategic procurement for food across Welsh Local Authorities. This partnership, will encourage a shared

understanding of the key issues and ensure any interventions identified are considered on a strategic level whilst working closely on key projects at a local level.

7. Food Development Action Plan - Aim, Activities and Benefits

7.1 The Aim of this Food Development Action Plan is to:

Increase the variety and equitable access to locally produced food for Monmouthshire's communities and the wider region.

7.2 The activities will include the following:

- The collation and analysis of data to enable evidence led decisions to be made whilst developing innovative responses to the challenges identified;
- The creation of new opportunities and enhanced access to new markets for producers by exploring the opportunities for extending markets (locally, nationally and internationally);
- Working co-operatively at a strategic level to facilitate the sharing of skills, ideas and best practice between each partner and co-build practical tools to assist in shortening supply chains (locally and on an international basis);
- Raise the ambition and increase local food procurement within the Council from the current 20% by ensuring the Council is more flexible in its approach to seasonality, continuity and quantity of supply, etc. This will be very much led by the outcomes of the data analysis and working with the right stakeholders in order to build confidence to enable them to act upon market opportunities;
- Decrease food poverty through improved integration between Food Bank referrals and a range of support structures/mechanisms (with particular emphasis upon use of the Housing Support Gateway);
- Support for community food programmes in partnership with community and housing associations;
- Increased knowledge as a result of an on line training course and shared knowledge to encourage scratch cooking throughout the Council using seasonal, locally sourced foods; and
- Reduce levels of public food waste by monitoring food waste in schools and using the data to inform future purchasing for school meals – Table Two that follows details food collected and diverted from landfill for the period 2018 – first quarter of financial year 2020-2021.

Table Two - Food collected and diverted from landfill for the period 2018 – first quarter of financial year 2020-2021

Food collected and diverted from landfill				
Food Waste Tonnage Collected 2018- 2021				
Period		2018-19	2019-20	2020-21
Q1	April - Jun		1023.12	1281.71
Q2	July – Sept		1059.92	
Q3	Oct- Dec	326.96	1130.98	
Q4	Jan - Mar	1072.84	1190.60	
Average monthly		349.95	367.05	427.24

7.3 The benefits of delivering the associated actions will lead to:

- Sustainable, local economic growth for the region through the provision of direct business support and sharing of intelligence;
- Improved diversity and usage of land for food production, improving self-sufficiency;
- Improved health and wellbeing of Monmouthshire residents due to increased availability of fresh, local, affordable produce; and
- Reduced levels of food insecurity and food waste leading to a reduction in Monmouthshire’s carbon footprint.

7.4 The Food Development Activity Work Plan (Appendix One) details the activity, the Lead Officer(s), Partners, Progress and the RAG rating.

8 Monitoring and Evaluation

8.1 The progress of the Action Plan will be monitored via the Vale of Usk Local Action Group, who monitor all spend associated with the Rural Development Programme, and the Social Justice Advisory Committee who monitor the progress of the overarching Social Justice Strategy and associated Tackling Poverty and Inequality Action Plan both of which will be updated on an annual basis.

8.2 The key indicators to be monitored will include:

- Increase in no. of food businesses engaged to 15;
- Increase in no. of local food suppliers regularly supplying produce to MCC to 15;
- Increase in MCC local food procurement from 20% to 25%;
- Establishment of Strategic Food Partnership – moving towards Monmouthshire as a recognised “Sustainable Food Place”.
- No. of school children engaged in reducing school food waste 10 in pilot programme – x 2 school clusters;
- No. of MCC catering staff trained in ‘scratch’ cooking - 20
- Reduction of food waste by 10% in schools

Food Development Activity Work Plan 2020 – 2022

Action	Purpose	Lead Officer	Partners	Measure/Progress	RAG Rating
Partnership Projects					
<p>Monmouthshire Food Resilience Data Mapping And Analysis Exercise</p>	<p>Pilot to identify key issues and reinforced knowledge:</p> <ul style="list-style-type: none"> ○ physical environment data (soil type, crop usage, topography etc.); ○ economy (what food is grown, where it is moved to, how much money it generates, what levels of employment result from it); ○ ownership and responsibility within the food ecosystem (the location of food businesses, the ownership of land etc.); and ○ identify the gaps which relate to but not solely limited to the above. <p>Information will inform and develop programmes of work in the food production sector and will create a layered picture of both the current and future potential landscape of the county to direct focused interventions. Findings will be used across Wales and in other sectors in the future.</p>	<p>Rural Programme Food Development Officer</p>	<p>Funded through the Welsh Government Foundational Economy Fund.</p> <p>Wide range of delivery partnerships - including businesses, producers, academia, local and national government, NHS, NRW, and Vale of Usk LAG.</p>	<p>Consultants appointed</p> <p>Internally data is being sourced and used to test the system and look at the gaps, to identify potential quick wins.</p> <p>Weave the data into opportunities for farmers and produce an action plan.</p>	<p>Green</p>

Conservation Farming Trust - Test Farm Development	<p>Project to grow and test the profitability of small scale, 1-4 acre agro ecological farming techniques, to see how they apply in a Monmouthshire context – including climate, topography and local/regional markets – to establish which can generate enough income to support a family.</p> <p>Project will:</p> <ul style="list-style-type: none"> ○ Engage landowners to make land available and advise farmers on contractual leasing matters particularly if multiple small plots exist on the same site. ○ Recruit entrepreneurs who have well-formed business plans and provide advice planning a new enterprise, using on-line models from across the world that demonstrate profitability/sustainability and share their business data. ○ Support networking and collaboration among small farmers, for example, knowledge exchange, cooperative marketing. 	Rural Programme Food Development Officer	Funded via the Rural Development Programme	Funding approved bid	Amber

<p>Monmouthshire PSB Community Wealth Building Through Progressive Procurement</p>	<p>Aims: To effect systemic change in local economies across Wales by working with anchor institutions in selected Welsh Public Service Board areas to introduce and embed the community wealth building concept in these areas and disseminate policy and practice lessons across Wales; with a specific focus on progressive procurement approaches. Recognises that the public sector is a key stakeholder in the local economy and that “building resilience and sustainability into supply chains in Wales has become even more important as we begin preparations for recovery from this pandemic and the uncertainty of Brexit”.</p>	PSB	Monmouthshire PSB, along with the other 4 Gwent PSB’s, project funded by Welsh Government, and led by The Centre for Local Economic Strategies (CLES).	Mapping underway	Green

<p><u>Monmouthshire PSB</u> Environmental Review of PSB Partners</p>	<p>Aims: To focus on environmental projects and initiatives which address the climate crisis, reduce carbon emissions, improve resource efficiency, and minimise the organisation's/PSB's environmental footprint. Key areas of focus will be PSB partner's internal environmental management, exploring where the PSB could add value through collaboration, knowledge sharing and pooling resource, including:</p> <ul style="list-style-type: none"> - Fleet 	<p>PSB</p>	<p>Led by NRW & MCC</p>	<p>Review underway</p>	<p>Green</p>
	<ul style="list-style-type: none"> - Buildings - Land (land management and use across the county, working with the farming community specifically) - Procurement (linked to regional CLES work with environmental considerations see above) 				

Direct Delivery Projects					
<p>Encouraging active engagement with primary schools with the aim of educating and influencing the curriculum.</p>	<p>Gilwern Cluster School Project An active partnership with local schools and (Abergavenny) Food Forum and Community Centre. Project intended to develop a circular pilot project which will encompass all phases of produce /cooking /composting /growing /planting /vegetable harvest. It will encourage the development of a programme of learning which will include education about produce /seasonality and growing cycles and to offer practical involvement in all elements of the food cycle where appropriate.</p>	<p>Rural Programme Food Development Officer</p>	<p>Funded via the Rural Development Programme</p>	<p>Delivery underway although currently paused due to Covid-19 restrictions</p>	<p>Amber</p>
<p>Community Fridges/Community Food Hubs</p> <p>Work differently to Foodbanks. The intention is to redistribute surplus</p>	<p>Developing 'community fridges'/community pantry programme and expansion of Fare Share Programme in four towns across Monmouthshire in partnership with the local community and housing associations.</p>	<p>Rural Programme Food Development Officer and Tackling Poverty and Inequality Lead (link to Tackling Poverty and Inequality Strategy)</p>	<p>Partners to include financial/debt support (e.g. CAB), mental health sessions (e.g. MIND), coffee morning</p>	<p>Delivery underway Monmouth Community Fridge operational</p>	<p>Green</p>

<p>food to the local community from supermarkets and others, in order to facilitate the redistribution of surplus food to the local community to avoid it going into landfill.</p>	<p>Hubs will be based around food – offering a community fridge to develop a wider partnership approach marrying up local community groups, established charities and other third sector groups to address local social issues linked to food. The hub could also offer opportunities to signpost people to other sources of support in MCC or wider.</p>		<p>drop in (e.g. Reengage), cookery classes (e.g. Foodbank), lunch club (e.g. Chepstow Community Focused Schools Approach), as well as other social activities based around food.</p>		
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<p>Monmouthshire Food Banks</p>	<p>Supporting the continued sustainability of local food banks through the improved integration of Food Bank referrals and a range of support structures / mechanisms (with particular emphasis upon use of the Housing Support Gateway).</p> <p>Continue to support local residents through the introduction of a digital system to allocate food “vouchers”. The voucher system enables the food banks to prepare suitable emergency food, sufficient to meet demand.</p> <p>Support personal development opportunities for Food Bank volunteers through the Communities and Partnerships Development Team</p>	<p>Rural Programme Food Development Officer and Tackling Poverty and Inequality Lead</p>	<p>Collective team role to engage with individuals self-referring; liaise with the Food Banks; coordinate distribution logistics and ensure collaboration with other agencies to support underlying issues.</p>	<p>On going</p>	<p>Green</p>
	<p>and the Be Community Leadership Programme.</p>				
<p>Addressing access to affordable and nutritious food ‘Grub Club’</p>	<p>A pilot programme of activities to teach family nutrition and cooking skills</p>	<p>Tackling Poverty and Inequality Lead</p>	<p>Partnership with local schools and community organisations</p>	<p>In development</p>	<p>White</p>

<p>SHEP – School Holiday Enrichment Programme Provision of food & nutrition education, physical activity, enrichment sessions and healthy meals to children in areas of social deprivation during the school summer holidays.</p>	<p>Provision of free healthy breakfasts and free healthy lunches to primary aged children (5-11 years) as part of a structured play provision to 80 children per site per day on 19 days of the school summer holiday period.</p>	<p>Mike Moran, Community Infrastructure Coordinator (MCC play lead) Tel: 07894 573834 Email: mikemoran@monmouthshire.gov.uk</p>	<p>Welsh Government (WG) Welsh Local Government Association (WLGA) Aneurin Bevan Health Board (ABHB) Dietetics Service Gwent Psychology Service Participating Primary Schools Town and Community Councils (in 2019, 11 of the 33 councils participated – in 2020, 15 councils had “signed up” before the scheme was</p>	<p>SHEP operated for the first time in Monmouthshire in 2019 at two sites, with attendances/meals delivered totalling 2,494. The take up of places available at Overmonnow Primary School was 97% and at Thornwell Primary School 66%.</p>	<p>Amber – Scheme paused due to Covid 19</p>
			<p>cancelled due to Covid-19)</p>		

Extension of Healthy Schools/Healthy Eating Programme	<p>Extension of the Healthy Primary Schools programme where meals are cooked from scratch from approved suppliers. The Healthy eating agenda covers all establishments feeding school age children between the hours of 8:00am and 6:00pm</p> <p>Aim to implement scratch cooking across all catering outlets/services in the Council.</p> <p>To include development and delivery of a half day, on line course for all catering managers in every MCC catering establishment, depending on levels of reasonability.</p>	<p>Catering Manager with Rural Programme Food Development Officer and Environmental Health.</p>	<p>Partnership with all departments offering catering services and WLGA</p>	<p>In development</p>	<p>Amber</p>
Increasing local food procurement within the Council	<ul style="list-style-type: none"> • Mapping of all food produce and producers used within the Council to identify products that could be sourced locally. • Liaison with local suppliers to identify local, sustainable supply chains and business support needs. • Understand the opportunities and the voids. • Once evidence has been collated of opportunities and the Council needs, hold a series of 'Meet the Buyer' events to share the Council's vision for increasing local food procurement. 	<p>Catering Manager, Rural Programme Food Development Officer, Strategic Procurement Team and Environmental Health.</p>	<p>Partnership with all departments offering catering services</p>	<p>In development</p> <p>Encouraging or mandating public procurement to buy local through new suppliers.</p> <p>Engage with the principal stakeholders who can influence change.</p>	<p>Amber</p>

	<ul style="list-style-type: none"> • Council in turn to agree to bulk purchase produce • Council also to consider if the Council spend is significant enough and whether or not it would be more beneficial to roll this out as a PSB initiative. 				
Provision of specialist community meals via in house service	<p>Specialist meals for example allergen free, pureed are currently outsourced to a frozen food company.</p> <p>Pilot to identify viable business model to cook meals from scratch, in house. * also affects food waste reduction</p>	Catering Manager, Community Meals Team, Strategic Procurement Team and Environmental Health.	Partnership with Enterprise and Adult and Social Care Services	In development	White
Partnership Development Monmouthshire Food Partnership	<p>Strategic group bringing together key colleagues/interested parties who have a role or interest in the food agenda. To include (but not be solely) food poverty, land management, food waste, nutrition and health and wellbeing, farming/land management, food business support/ food procurement and food waste. To share information on the development of the Food Agenda across the County along with skills and knowledge to shape future support for the sector.</p>	Rural Programme Food Development Officer and Rural Programmes Manager	Key Officers, Food Business Support Agencies, NFU, FUW, Food Innovation Wales	In Development	White

	<p>The intention is to move towards a shared vision for sustainable food development.</p>				
<p>Maximising additional funding such as RDP funding opportunities for food and food tourism businesses</p>	<p>An additional £106M has been identified by WG for RDP type activities which includes support for food and food tourism businesses with additional opportunities via the CCR Challenge Fund.</p> <p>Opportunities to be identified and built into this Action Plan as they become available.</p>	<p>Rural Programme Food Development Officer and Rural Programmes Manager</p>	<p>Monmouthshire Food Partnership Vale of Usk Local Action Group</p>	<p>In development</p>	<p>White</p>

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Appendix D

Housing & Communities Monmouthshire County Council

Homeless Transition Plan February 2021

1. Have a move-on protocol in place with rapid re-housing at its heart

Current Situation

It is a requirement of Welsh Government, as per the Phase 2 Planning Guidance for Homelessness and Housing Related Support, for the Council to have a 'move-on protocol with rapid re-housing at its heart' for re-housing those in emergency/temporary homeless accommodation into suitable permanent accommodation.

At present the Council does not have a move-on protocol per se, although the Homesearch Housing Register policy facilitates the re-housing of homeless households through the use of quotas.

It is proposed to request the Homesearch partners to sign up to the draft protocol below, which is currently being consulted upon:

The Council is required to minimise the number of placement moves for any individual or family that experiences homeless. Settled permanent accommodation following a short period of time in emergency accommodation is the desire for all partners when working together to eradicate homelessness and promote sustainable tenancies.

MCC will work closely with the Monmouthshire Housing Partnership to facilitate adequate availability of social housing stock through local housing associations to help meet local homeless need through the flexible quota arrangement within the existing Monmouthshire Homesearch Housing Allocation Policy. The Council is committed to RSL's having the guarantee of immediate Intensive Resettlement Housing Support for those needing to be accommodated via the homeless route. In the short-term this will be provided through an interim reconfigured Housing Support Grant funded service provided by Pobl.

Should this support not be available this may prevent the Council from moving some applicants on to permanent accommodation.

On a homeless determination and a 2B Banding status assessment under the Homesearch Allocation Policy, Housing Options Officers will work closely with Homesearch Officers to ensure registration of housing applications and minimise delays in processing applications. The allocated Support Worker will be involved by providing individual support plans to illustrate the intensity of support to be delivered, as well as the individual's commitment to working towards a successful tenancy.

Any barriers to an offer of accommodation, such as previous rent arrears, will be negotiated by this triage, and if necessary, the Council will utilise the Homeless Prevention Fund to reduce/refund arrears. Any support issues such as previous behaviour or substance misuse issues which could inhibit an offer being successful, will be addressed via the support plan and evidenced by the involvement of the Substance Misuse Assertive Outreach Worker (also part of MCC bid), and Mental Health services.

To further support individual clients, the Council or support providers will refer clients into the multi-agency Housing Intervention Panel to consider and identify solutions. The Council, housing associations and support providers are committed to both referring clients and attending meetings.

As the Temporary Accommodation and Resettlement Support Service are delivered through the same Providers, there will be a seamless move with support during the resettlement process. High-intensity flexible, client-led support will be provided for between 12 to 16 weeks,

with ongoing support being provided via the RSL or generic floating support service after this period.

To help with the implementation of the above, the Council has established an interim arrangement with a Housing Support Provider to provide Re-settlement Support to facilitate move on to permanent accommodation. The interim arrangement is due to be formally established with effect from April 2021 following a review of the main Housing Support Programme to create the necessary funding capacity. Four existing projects have been re-modelled to provide to provide a Temporary Accommodation and Re-Settlement Service and a Tenancy Support Team.

Recommendation

- To establish and agree a Move-On Protocol between the Council and Homeseach partners.
- To underpin the proposed Move-On Protocol, formalise the existing interim Temporary Accommodation, Re-Settlement and Tenancy Support to become a contracted service within the Council's Housing Support Programme.
- To monitor the Protocol on an on-going basis

2. Improve the quality and reduce the dependency on emergency/ temporary accommodation solutions

Current Situation

As at 31st December 2020 there were 123 households in temporary accommodation. This included 66 households in B & B, of which 56 were single people. (This is an increase from 30th October 2020 when there were 56, mainly single people accommodated in B & B).

In addition the Council's other homeless accommodation (e.g. shared, private leasing and managed accommodation) is occupied at capacity. The historical reliance on Generic Floating Housing Support has highlighted the deficiencies both, in the diversity and range of the Councils temporary accommodation together with the type of housing support provision available.

There is a need, therefore, for the Council to increase the diversity and range of temporary accommodation including additional supported housing with dedicated and specialist support.

The dispersed nature of Monmouthshire also impacts on the accessibility to this accommodation. Often there is a need to displace applicants from their home communities in order to access temporary accommodation.

Furthermore, Welsh Government policy (Annex D) has now determined minimum accommodations standards for Phase 2 onwards. In summary these are:

- Minimum standards – e.g. self-contained and suitable for independent living; appropriate location
- Homes should be of high quality, innovative and sustainable
- Homes should be flexible and responsive to the changing needs of the occupants
- Homes should be safe and secure.

Welsh Government are also advising that they no longer expect local authorities to use night-shelter type accommodation. This has implications for the Council as there has been a need to use vacant office space for temporary accommodation, although it has been possible to cease this practice.

There is a need to assess the Council's accommodation against these standards.

The following are types of accommodation are needed in Monmouthshire:

- **Emergency Family Accommodation**

Current Situation

At present the Council's only emergency family accommodation is a 5 bedroomed shared emergency accommodation situated in Monmouth. (This is temporarily being used as multiple needs accommodation and it is proposed to that the Council continue to with this arrangement).

In Caldicot, a 6 person property was purchased in 2019 by Monmouthshire Housing on behalf of the Council for use as emergency shared family accommodation. The property hasn't come into use as yet due to the need to finalise planning related requirements, but the Council's Planning Committee has recently approved a Management Plan. It is expected that the property will be available for letting in the next few months.

Further opportunities to provide emergency family accommodation through the Social Housing Grant Programme are also being explored and a newly re-furbished 4 unit scheme of self-contained accommodation is due to shortly become available in Caldicot.

Due to using the Council emergency family accommodation for Multiple Needs, the priority is to identify self-contained family accommodation to cover the North of Monmouthshire and to complement the accommodation secured in the south. A provisional site has been identified as part of the Social Housing Grant programme and a proposal is being developed with a housing association partner. **Should this option not progress for whatever reason there will be a need to continue to identify alternative options for emergency self-contained accommodation, particularly through the Council's development programme.**

Recommendations

- To cease using the emergency shared accommodation in Monmouth for families and utilise for an alternative homeless purpose e.g. Multiple Needs accommodation.
- Identify emergency self-contained family accommodation for the North of Monmouthshire
- **Self-Contained Temporary Family Accommodation**

Current Situation

The Council currently has a portfolio of family accommodation, which is made up of:

- Private leased units x 49 (which includes a number of RSL properties)
- However, 1 is rolling on during COVID and is likely to end, 2 terminate on 31st December 2020, 2 terminating on 30th September 2020 and 1 is on a monthly rolling lease with an RSL.
- Managed units (on behalf of private landlords) x 33
- MCC low cost home ownership unit x 1

Subject to landlord approval and financial sustainability, the aim is to continue with the existing portfolio and proactively seek to identify additional properties using the Monmouthshire Lettings Service branding.

The Council is presently in discussion in respect of a five unit scheme that would provide one units of self-contained family accommodation. This is due to be financially supported through the Council's Budget Mandate process 2021/22.

Running alongside recruiting private landlords there is also a proposal to target private sector tenants who may be starting to experience problems with sustaining their accommodation but as yet may not have reached out to the Council for assistance. Perhaps due to rent arrears, unemployment, debt etc. Initial contact has been made with a number of local letting agencies.

Recommendation

- Under the Monmouthshire Lettings branding, continue to engage with private landlords and promote landlord incentives, to seek to identify private sector accommodation. This will be funded through existing resources

- Seek to engage with private sector tenants and/or landlords who may be experiencing as an approach to providing any early interventions and to minimise the possibility of tenants presenting as homeless.

- **Housing First**
Current Situation

There is a need for a Housing First housing scheme in Monmouthshire to provide homeless people with chronic health & social care needs a stable home from which to rebuild their lives together with intensive, person-centred, holistic support that is open-ended. During 2020 the Council secured Phase 2 Homeless Grant Funding from Welsh Government to commence a Monmouthshire scheme in partnership with Pobl, which is an extension of the Housing First scheme in Newport.

Pobl co-ordinate the scheme and will use their own stock to provide accommodation but also will work in partnership with Monmouthshire Housing and Melin Homes,

To date the Housing First scheme has accommodated two individuals. There are a further six people who need the assistance of the scheme.

There is a cost of £36,000 p.a. to continue the scheme after 1st April 2021. It is proposed this will be funded from the Councils Housing Support Grant programme.

Recommendation

- To continue funding Pobl to provide the Housing First for Monmouthshire after 1st April 2021 from the Housing Support Grant Programme, with accommodation assistance being provided from Melin Homes and Monmouthshire Housing.
- To consider the need and opportunities for the provision of a Youth Housing First project. At this stage, however, no funding source has been identified.

- **Emergency & 24 Hour Multiple Needs Accommodation**
Current Situation

There is no emergency specialist Multiple Needs accommodation in Monmouthshire beyond the current interim provision of 4 units of shared accommodation in Monmouth under the supervision of a temporary concierge arrangement. The Council is currently using the family hostel as an interim arrangement, but the proposal is to make this permanent. Housing Support is currently provided through Llamau Assertive Outreach, which is currently funded through Welsh Government, Phase 2 Homeless Grant.

The Assertive Outreach Support x 2 also provides support to other high need applicants at two other temporary residential settings in Monmouthshire. The Assertive Outreach service also provides direct support to any arising rough sleepers identified.

Historically, Monmouthshire hasn't benefited from Multiple Needs supported accommodation. Therefore, there is a need to establish Multiple Needs accommodation in the County. Ideally, smaller schemes covering the North and South of the County rather than a single larger provision. Previously the Council has needed to rely on the availability of shared housing supplemented by generic floating support. Placement breakdown was common-place. This is still a source of provision together with Bed & Breakfast.

As previously mentioned the Council proposes to establish Multiple Needs Accommodation provision. The intention, subject to approval, is to convert the former shared emergency family accommodation to self-contained accommodation and explore the possibility of acquiring an additional property to create a provision of 5 units offering 24 hour specialist support.

Recommendation

- To work towards establishing two respective schemes to cover both the North and the south.
- In partnership with Housing Support Grant Commissioning, seek to develop a Multiple Needs support proposal for Monmouthshire. This will include exploring the feasibility and costs of potentially converting and reconfiguring the existing family hostel to achieve 5 units of self-contained accommodation and purchasing an additional property that has recently come on to the market.

The aim is to fund the revenue costs for the proposed Multiple Needs accommodation North, from the Housing Support Grant Programme. This is still to be confirmed and will be subject to other variables in the programme

- To consider provisional options for funding the capital costs for conversion.
- To explore and identify opportunities to establish a scheme to cover the south of the County.

- **Young Persons Supported Accommodation – Low to High Needs**

Current Situation

There are currently 21 units of supported accommodation across two separate schemes in Abergavenny and Chepstow provided by Pobl. Being dedicated accommodation for young people this is extremely important accommodation. The schemes, however, are for young people with low needs and aren't suitable for all young people, particularly those who are more vulnerable and with higher needs. It is not un-common for either the Housing Options Team or the Through Care Team to be unable to place in this accommodation. As a result, there has been a need to accommodate in other accommodation. Typically B & B or the Council's shared housing and previously with floating support. Such accommodation and support (generic floating support) doesn't adequately meet the needs of such young people.

Furthermore, there is no step-down accommodation in Monmouthshire for those young people who make good progress towards independent living, but aren't quite fully ready.

The Council, therefore, is seeking to remodel existing young person's provision through a partnership between Housing & Communities, Children's Services, Housing Support Grant Commissioning and Pobl. This will facilitate the provision of a new model of supported accommodation for young people with low, medium and high needs together with self-contained move-on accommodation.

The project is supported by Phase 2 Capital funding to facilitate the creation of self-contained units and additional communal space.

For young people who need to be accommodated in other temporary accommodation, such as shared housing, the Council is seeking to review and extend the Llamau Emphasis scheme.

Recommendation

- Housing & Communities, Housing Support Commissioning and Children's Services to work in partnership with Pobl to remodel existing Young Persons Supported Accommodation in Monmouthshire
- To re-model Llamau Emphasis Housing Support in order to provide dedicated Housing Support for young people in temporary accommodation and to be a member of a multi-agency team.
- To create a Homeless Prevention Officer within the Housing Options Team with a lead focus on Young People.

- **Low Need Single Persons Accommodation**

Current Situation

The Council currently has 70 units of shared accommodation (which is expected to reduce by 5/6 units to facilitate for the proposed interim Young Persons Accommodation). There will be a need for the Council to continue with the portfolio of

shared housing for the short to medium term. However, there will be a need to review the future of this accommodation in the context of Welsh Governments quality standard.

Recommendation

- Undertake an options appraisal against Welsh Government 'Annex D' Quality Standard of the existing shared to inform the future use of the accommodation e.g. improvements, possible disposal etc. The options appraisal will also be used as an opportunity to identify potential improvements to the service provided and the general standard of accommodation provided
- Seek to identify opportunities through Welsh Government Innovative Housing Programme with local housing associations
- Seek to identify opportunities through the Social Housing Programme.
- Continue to identify private sector opportunities under the Monmouthshire Lettings branding.

Self-Contained Temporary Family Accommodation

Current Situation

The Council currently has a portfolio of family accommodation which is made up of:

- Private leased units x 49 (which includes a number of RSL properties)
 - However, 1 is rolling on during COVID and is likely to end, 2 terminate on 31st December 2020, 2 terminating on 30th September 2020 and 1 is on a monthly rolling lease with an RSL.
- Managed units (on behalf of private landlords) x 33
- MCC low cost home ownership unit x 1

Subject to landlord approval and financial sustainability, the aim is to continue with the existing portfolio and proactively seek to identify additional properties using the Monmouthshire Lettings Service branding.

Increasingly, however, the impact of inflation is impacting on the ability to secure accommodation with private landlords. Landlords are more regularly requesting higher rents more aligned to market rents due to the relatively low level of Local Housing Allowance levels in Monmouthshire.

Recommendation

- To continue to engage with private landlords and housing associations to identify private sector accommodation, using Monmouthshire Lettings Service branding. This typically will be funded through existing resources and the Private Lease budget
- At the time of writing there are two three pending schemes that the Council needs to secure in order to mitigate against B & B use. These individual schemes are projected to operate at a deficit. It is proposed the deficit will be funded from the Housing & Communities Budget Pressures Mandate 2021/22.

Domestic Abuse

Current Situation

The Council will provide homeless accommodation directly for victims of domestic abuse and specialist housing support is available through Cyfannol and the Llamau Modas service.

Cyfannol Women's Aid provides a five unit refuge in the County and the service of one crisis worker. In addition, a Gwent wide sexual violence service is available in Monmouthshire. Cyfannol are currently experiencing a 50% increase in the need for their crisis service.

Cyfannol have recently acquired direct funding to establish 2 dispersed properties in the south of Monmouthshire providing additional temporary accommodation provision.

In addition, the Council has acquired Welsh Government homeless grant for Cyfannol to enable them to extend their crisis service through the appointment of a part time Crisis Worker until April 2021.

It is proposed that the service will be extended into 2021/22 and will be funded through the Housing Support Grant Programme.

The Council is working closely with Cyfannol to ensure that both services are working closely for mutual benefit, particularly in respect of homeless prevention.

Recommendation

To continue to work closely with Cyfannol and ensure the service is fully utilised by the Housing Options Team to support victims of domestic abuse.

To continue funding the Cyfannol Crisis Worker x 0.5 through the Housing Support Grant Programme from April 2021 using the HSG uplift from Welsh Government.

3. Put rapid re-housing at the heart of services and utilise a range of support models (i.e. Housing First, CTI, floating support, assertive outreach) for people experiencing or at risk of homelessness.

Current Situation

At present the Council does not have a Rapid Re-housing mechanism that will apply generally apply to all homeless applications.

The Council will seek to establish 'rapid re-housing' through the mechanisms of the Rapid Re-housing Protocol detailed previously in this report. There will be a need to monitor this.

In addition, it is proposed that the Rapid Re-housing principal will also be supported by a proposed relaxation of housing register exclusion criteria and an introduction of designated and ring-fenced 'move-on' permanent social housing. The intended availability of Intensive Resettlement Support will also contribute to Rapid Re-Housing by providing reassurance to housing associations. The Re-Settlement Support will provide the following benefits:

Resettlement Support is linked to Temporary Accommodation Support. Support, therefore, will in effect have started prior to an offer of accommodation:

- No waiting list for support
- Assurance to RSL that intensive work to sustain tenancy is in place prior to sign up
- Support is tailored to the individual's needs over a 12 week period with scope for extension in 6 week periods under agreement from Gateway Assessment Officers.
- No '3 missed appointments' and closure.
- Support Providers will explore ways to engage the individual on their terms i.e. evening / weekend appointments if necessary.
- Support can be daily/intensive/ flexible from the start of tenancy and will tail off as needs are met and client is supported to engage in substance use / mental health services.
- No set hours per individual
- If it is agreed that support is needed to sustain tenancy going forward (identified at 12 weeks) steps are put in place to facilitate a move to a step down provider.
- Named support provider/work given to RSL for liaison.

Welsh Governments expectation is that Councils utilise a range of support services through the Housing Support Grant programme to meet local homeless need. Over recent years the current availability of types of homeless services has been limited. There has been a heavy and disproportionate reliance on generic floating support, which is more appropriate for low level, short-term and generic support needs. Whilst there continues to be a need for generic floating support, which has the advantage of providing flexibility, it will not meet the higher needs or specialist requirements relating to the need in Monmouthshire.

The following are models of support needed in Monmouthshire:

- **Housing First** - the Council hasn't previously benefited from Housing First support provision. A Housing First project was established during 2020 using Welsh Government Phase 2 Homeless Grant funding, which effectively extended an existing service in Newport into Monmouthshire. Two clients have been accommodated through the scheme to date and a further six applicants that need this type of support. From April 2021, the project will be absorbed into the Council's Housing Support Grant programme.

Consideration will be given to whether there is a need for Youth Housing First

- **Young Persons Supported Housing – Low to High Needs –** See Section 2
- **Emergency & 24 Hour Multiple Needs Accommodation (North & South) –** See Section 2
- **Temporary Accommodation Support & Intensive Re-Settlement Support –** An interim arrangement through the Housing Support Grant Programme was established during 2020 to particularly support those clients living in shared housing and B & B and to assist people to move on to permanent accommodation. The current arrangement is a good-will arrangement with one of the Councils Providers, but will be formalised with effect from April 2021.
- **Young Persons Accommodation Support –** at the end of December 20 there were 37 young people (e.g. under 25) in temporary accommodation. And increase from 25 in July 2020. And a further three are expected to need accommodation imminently. This includes 3 x 16/17 year olds who are in B & B, all of whom are considered highly vulnerable and have needed to be moved due to behaviour issues. Such cases need to be appropriately accommodated and supported. Going forwards such cases will benefit from the proposal to establish dedicated and specialist housing support for young people in temporary accommodation rather than relying on generic and/or floating support.

To provide dedicated and specialist housing support, it is proposed to re-model Llamau Emphasis Housing Support in order to provide dedicated Housing Support for young people in temporary accommodation. The support will continue to be part of the Housing Support Grant programme and will be cost neutral.

Assertive Outreach – This support is currently provided through Llamau Assertive Outreach, which is currently funded through Welsh Government, Phase 2 Homeless Grant.

The Assertive Outreach Support x 2 provides support to high need applicants at the interim multiple needs accommodation and two other temporary residential settings in Monmouthshire. The Assertive Outreach service also provides direct support to any arising rough sleepers identified.

This project will continue in 2021/22 and it has been possible to absorb into the Housing Support Grant Programme due to the Welsh Government uplift

- **Floating Support –** there will be a need to continue with generic floating support, albeit with a lower capacity than currently to support people with lower needs and those who are able to move from specialist support due to their needs declining. This support is currently in place and Housing Support Grant available through the existing programme
- **Domestic Abuse Crisis Support –** the Modas service had 168 referrals last year and there are currently 32 open cases. In addition Cyfannol Women's Aid have seen referrals increase by 50% on 2019/20 demand. Abergavenny is a particular hotspot.

Cyfannol have been provided with Phase 2 Homeless Grant funding to employ an additional Crisis Worker x 0.5 in respect of the increased demand for domestic abuse

support. The post has also supported Cyfannol to set up two dispersed accommodation units in Monmouthshire.

It is proposed that this project should continue in 2021/22 as it has been possible to absorb into the Housing Support Grant Programme due to the Welsh Government uplift for 2021/22.

In addition it has been proposed that Perpetrator Programme is introduced through a regional Gwent project. It is proposed that the Council participate in this project and fund the participation through the Welsh Government Housing Support Grant Programme uplift from 2021/22.

- **Substance Misuse** – Using Welsh Government Phase 2 Homeless funding the Council has established a partnership with Gwent Drug & Alcohol Advisory Service. A significant proportion of homeless applicants have drug and alcohol issues. GDAS have provided an Assertive Outreach worker to specifically support clients in temporary accommodation.

A Rapid Prescribing service operates in other Gwent local authority areas through a specialist nurse delivering positive benefits and impacts in terms of managing and helping to reduce drug use, helping to reduce offending behaviour and contributing to general social stability.

This project will continue in 2021/22 as it has been possible to absorb into the Housing Support Grant Programme due to the Welsh Government uplift and the proposal is that the project will be extended to include Rapid Prescribing for five applicants.

- **Offenders & Prison Release** – There is a need to maximise the planning time in respect of offenders leaving prison. It is not uncommon to have little or no notice of an offender leaving prison. To maximise pre-release planning there are benefits of visiting offenders in prison to plan arrangements.

This is a need that is shared by other Gwent Local Authorities. It is, therefore, proposed to establish a regional project that the Council will buy into. The proposal is that this will be funded through the Housing Support Grant Programme from April 2021.

- **Mental Health Support** – Due to the high proportion of homeless applicants presenting and experiencing mental health issues, it is proposed through the Housing Support Grant uplift that funding be allocated to provide a Mental Health support worker based within a multi-agency team to triage individuals suffering with mental health and deliver crisis intervention.

Many of the homeless applicants the Council are supporting also require Health support in respect of their mental health. The Council has started to engage with Health in this respect but discussions are still in their infancy. It is a priority though to continue with these discussions to maximise the support available for those Homeless applicants who would benefit from additional support.

- **Other Support** – The need for the following support has been identified:
 - Out of hours support in recognition that support issues are not confined to working hours.
 - Contingency/flexible hours in recognition that some clients benefit from engaging outside of normal hours such as early evening.
 - 24 Hour supported mental health accommodation. MIND current provide accommodation for those with mental health needs in Monmouthshire. Support is provided through floating mental health support. This accommodation is for those with low needs. On occasions, it isn't possible

to accommodate those with higher needs. Therefore, in such instances it is necessary to place people in other accommodation which increases the risk of placement failure.

At present, however, there is no funding available to meet these potential services

Recommendation:

- To monitor the time taken to permanently re-house homeless applicants to understand performance.
- Subject to on-going need, to fund the following from the Housing Support Grant Programme:
 - Continuation of Housing First support
 - Continuation of Temporary Accommodation & Re-Settlement Support
 - Introduce Young Persons Accommodation Support for young people in temporary accommodation, through the re-modelling of Llamau Emphasis and to sit within a Multi-Agency Team.
 - Continuation of Llamau Assertive Outreach x 2
 - Continuation of Domestic Abuse Support x 0.5
 - Continuation of Substance Misuse Assertive Outreach and introduce Rapid Prescribing
 - Expand mental health floating support through an additional Mental Health worker to sit within a Multi-Agency Team.
 - Participate in a Regional Prison Release Scheme
 - Participate in regional Perpetrator Programme
 - Subject to confirmation, seek to fund the revenue costs of Multiple Needs Supported Accommodation for the North of the County

4. Increase the availability of social housing for people experiencing or at risk of homelessness.

Current Situation

The broad approach to making social housing available for homeless people is:

- The operation of lettings quotas for the allocation of vacant units of social housing. Over recent years a fixed quota hasn't been utilised because natural turnover has facilitated a 20-25% allocation of accommodation to homeless applicants. But a fixed, higher or lower, can be set if required. This is monitored on an on-going basis through the Homesearch Partnership in relation to homeless demand.
- Increasing the development and availability of social housing is a priority for the Council. This is facilitated through the annual development programme, the core focus of which is Social Housing Grant funded accommodation. Typically, the programme provides additional General Need's accommodation which in benefits all Housing Register applicants including homeless applicants.

Due to the numbers of households currently in temporary accommodation, increasing the availability of social housing for homeless people will be achieved by:

- Continuing with working with the Homesearch Housing Register Partnership in respect of flexible quotas in respect of homeless applicants. This will continue to be monitored on a weekly basis.
- A recent review of the Homesearch Allocation Policy factored higher thresholds will apply for exclusion triggers meaning that there is expected to be a reduction in clients excluded from the Housing Register. The review was approved by Cabinet in December 2020 and will be implemented in the Spring of 2021. The changes are currently being facilitated.

- There is a need to specifically factor homeless accommodation into the development programme on an on-going basis. This will be reviewed annually in liaison with the Housing Options Team and will be subject to need.
- Consider designating specific pending social housing development schemes as ring-fenced move on, permanent accommodation.

Recommendation

- For the Housing Options Team to liaise closely with the Homeseach Partnership in respect of all social housing vacancies and where appropriate, ring-fence to homeless applicants, particularly in the short-term.
- Implement the review changes agreed by the Council's Cabinet in December 2020 relating to the Homeseach Allocation Policy Homeseach for implementation during Spring 2021.
- Homelessness needs and requirements to be routinely considered in the annual development programme
- Liaise with RSL partners about potentially designating new social housing grant schemes as homeless move-on accommodation.

5. Increase the availability of private rented housing for people experiencing or at risk of homelessness.

Current Situation

Access to the private rented sector in Monmouthshire is challenging for both housing applicants and the Council due to:

- The level of market rents in relation to the local housing allowance is high and that the percentage of properties let at local housing allowance levels is low. This is estimated at about 6%
- Recent research has identified that the rental market in Monmouthshire has contracted by approximately 50%
- Landlords and estate agents can be reluctant to take low income households and reliant on benefit. Homeless people are regarded as a risk.
- Landlords are able to easily find professional tenants. Monmouthshire is a commuter area to employment hubs such as Bristol (increasingly because of the Bridge tolls going), Cardiff and Birmingham.

To mitigate against the challenges, the Council has established Monmouthshire Lettings Service as arms-length branding under which to encourage private landlords to make available properties to the Housing Options Team. This is a 'no fee' service, which seeks to offer a range of flexible options for landlords such as property leasing; room leasing and a management service and bespoke solutions for individual landlords.

It is considered that this approach has been extremely successful and it is appropriate to continue to build upon this success. The Council's portfolio of accommodation is currently:

- 33 managed properties
- 49 leased self-contained properties (the number of leased properties has previously been higher but has needed to be reduced due to the loss of the temporary accommodation management subsidy.
- 70 leased rooms in shared houses
- 1 supported lodgings host

To continue to develop Monmouthshire Lettings it is considered that the timing is appropriate to refresh the approach to promoting/marketing and seek to develop further options to encourage landlords to engage with the service.

In recognition that the rental market in Monmouthshire is not only small but has also contracted, in developing Monmouthshire Lettings it is also considered that in addition to recruiting vacant private sector properties there should also be a focus on recruiting

landlords who are already have tenants, but those tenants who may be starting to experience problems maintaining their tenancy. The approach, therefore, would also be recruiting landlords whose tenants may already be on the road to potential homelessness. This is very much a preventative and early intervention approach that it is hoped, would reduce the need for the Council to provide accommodation.

Due to the importance of maximising private sector housing provision it is considered that the Council needs to dedicate staffing to this function. This provides an opportunity to recruit someone who with private lettings and marketing experience.

Recommendations

- To recruit a Monmouthshire Lettings Co-Ordinator x 0.5. There is a cost of £22,653 for this post. It is proposed that this will be funded through the Council's Budget Pressures Mandate process for 2021/22.
- To implement the following:
 - Survey all landlords and establish annual satisfaction and exit surveys to identify opportunities for service improvement.
 - Consider new incentive options e.g. 'buying' rent arrears of households at risk of homelessness in return for use of accommodation; finder's fee etc.
 - Explore private sector good practice
 - Make greater use of social media and the Council's Communications Team
 - Improving Google search provision
 - Consider how MLS can work in collaboration with the Bond Scheme
 - To develop a dual approach and target existing landlords whose tenants may be starting to experience tenancy difficulties.

6. Bring empty properties back into use to house people experiencing or at risk of homelessness.

Current Situation

Bi annual letters are sent to positively encourage all empty property owners to contact the Council and discuss their property and options available to bring properties back into use and sign posting them accordingly, particularly in relation to promoting Monmouthshire Letting Service.

In addition the Council adopts a 'targeted approach', i.e., long term empties (over two years) within in or around the town centres. This approach will then involve a yearly 2nd stage letter, property visits and photographs. This would build up a representation of a property which would document it's deterioration over time. This would then provide evidence should further enforcement action be needed.

Housing & Community Services liaise with other services within the Council in respect of known empty homes and complaints about properties or those that require their involvement and the possible use of their enforcement powers where there is sufficient evidence to warrant their intervention.

A survey of empty space above shops was undertaken in Abergavenny last year. Although this did identify a small number of shops where the space above was not being used, due to the current availability of resources, there was limited opportunity to convert and utilise such space as homes. However, it is considered appropriate to undertake similar surveys in the other main towns and a survey of Monmouth town centre is to be undertaken during February and March 2021.

It is considered that there are benefits of undertaking officer training for all services who may be involved in seeking to bring empty homes back into use to ensure there is knowledge and awareness about potential options available.

Recommendation:

- Continue with the regular engagement with empty homes owners

- Subject to being safe to do so, undertake High Street surveys of space above shops for Monmouth, Usk, Caldicot and Chepstow with a view to identifying potential accommodation opportunities.
- Undertake Empty Homes Training.

7. Provide Support for Young People experiencing or at risk of homelessness.

Current Situation

It is a priority of the Council to strengthen both the homeless prevention and support roles of available staffing as well as increasing accommodation and support resources. The current dedicated support available is:

- **MCC Young Persons Accommodation Officer x 1:** To prevent homelessness and where not possible, find alternative accommodation. Housing Support Grant funded. This service has been decommissioned from the Housing Support Grant Programme but it is proposed to absorb the responsibility into a new Homeless Prevention Officer post.
- **Pobl Young Persons Supported Hostel Accommodation – 21 units in Chepstow & Abergavenny and Hostel Move On Accommodation – 3 units in Chepstow.** To meet low level need. Housing Support Grant funded. This is currently the only dedicated provision in Monmouthshire.

The project in Chepstow is currently being re-modelled and reconfigured in partnership with Housing & Communities, Housing Support Grant Commissioning, Children's Services and Pobl. Revenue costs are being funded from the Housing Support Grant and Children's Services 2021/22 and capital costs are being funded from Welsh Government Phase 2 capital grant. The project is expected to be implemented around June 2021.

- **Llamau Family Mediation Service** – This service seeks to prevent homeless for young people aged 16-24 who are at risk of having leave home or to support young people to return home. The service is co-located within the Housing Options Team and is Welsh Government funded.
- **Llamau – EMPHASIS Housing Support** – To support 'non-engaging' young people who are NEET (Not in Education, Employment or Training) / homeless or at risk of becoming NEET / homeless. Target group are young people aged 16 – 21. Housing Support Grant funded.

This is currently being reviewed in order to provide dedicated housing support to young people in temporary accommodation other than Pobl accommodation

- **Supported Lodgings Hosts x 1:** Accommodation for a young person in someone's home.

At present is expected that the young person benefiting from this accommodation is looking to move. This has placed uncertainty as to whether the one current host will continue or not.

- **MCC Compass x 1.5:** Provides the link between accommodation and homelessness with education, training, employment, physical and mental health, positive relationships, outside interests etc. Youth Enterprise funded

This is an extremely valuable additional resource. There is a need to ensure that the project is fully integrated with both the Housing Options Team and other homeless services, such as housing support, to ensure that it fully aligns with the Council's statutory homeless responsibilities and there is effective partnership working and no duplication.

- **Pobl 'Steps to Independence' Young Persons Shared Accommodation:** This is a Gwent project. It is Welsh Government funded.

Pobl have secured two, two bedroom properties and are accommodating 4 young people.

A further gap identified is the level of support for young people with health needs, including mental health issues. The Council, therefore, has started to engage with Health to identify additional support opportunities that can possibly be facilitated for young people. Some provisional opportunities have been identified for 16/17 year olds and care leavers, which need to be worked up further.

Recommendation

- Liaise with the Compass Youth Homeless project to ensure that the service is fully integrated into homelessness. The aim is to maximise the staffing resource available to support homeless young people.
- Liaise with the 'Pobl Steps to Independence' project to identify homeless young people that can be accommodated.
- Young Persons needs to be monitored and an on-going consideration for Housing Support Grant Commissioning.
- Housing & Communities, Housing Support Grant Commissioning, Children's Services and Pobl to remodel Young Persons Accommodation to meet low, medium and high needs. To include move on accommodation for those whose support needs reduce.
- Llamau Emphasis housing support to be re-modelled to provide support to young people in temporary accommodation
- Establish bespoke homeless information for young people
- Engage with Health to identify and facilitate opportunities for the provision of health related support for young people that will operate alongside housing support.

8. Multi-agency involvement at a strategic level and in the delivery of support.

This will be facilitated by the existing and emerging partnership arrangements.

9. The full adoption of a psychologically-informed (PIE) and trauma-informed approach to commissioning and service delivery within local authorities, housing and support providers.

Current Situation

Although some PIE or trauma informed practice is currently delivered by the Council's homeless service, such an approach isn't being delivered in a structured way. Nor has it been formally adopted within a policy framework. Although work started on this during the partly part of 2020, this was unfortunately was disrupted by Covid-19.

The Council has started working to develop a PIE and trauma informed service. An external agency has been commissioned to provide a two-stage programme of training and service planning over five sessions to Housing staff. This started on 16th March 20 but remains incomplete due to Covid-19 restrictions. This will hopefully be resumed in the spring 2021.

The Council is keen that the delivery approach of homeless service is one that is good at listening, is sensitive, is sympathetic and offers empathy. Essentially, it is a priority that the service is regarded as kind and caring.

In addition, the findings of a Shelter Take Notice project and the pending link with the Gwent Community Psychology Team are further opportunities to identify changes.

It was proposed to second an expert in PIE into the team to identify opportunities to change the way the service is delivered and to support staff implement changes. The proposal was to utilise Welsh Government homeless grant funding, but unfortunately this request wasn't successful.

Recommendations

- Resume PIE training as soon as safe to do, aiming to complete by June 21.
- On completion of training, use the training to inform service planning, giving particular attention to temporary accommodation and engaging with residents.
- Utilise Shelter 'Take Notice' recommendations to inform future service planning

10. The appropriate combination and safe delivery of remote and face to face support.

Current Situation

As part of working towards adopting a Psychologically and Trauma service, face to face contact and support with homeless applicants is considered fundamental.

Prior to the Covid-19 crisis the Council had started working towards a model of an area/community based approach to managing temporary accommodation. The Council recognises the importance of engaging positively and proactively with residents to achieve the best outcomes for both the Council and residents.

Each Accommodation Assistant has a 'patch' of accommodation that they are directly responsible for. The expectation is that staff will have a regular and sustained presence on their area 'patches.' As close as possible to daily. The Council is keen that staff get to know both residents and any support workers together will having a good all round understanding of their support need together with a good knowledge of their patch as a whole. This helps the Council to be more responsive to situations e.g. ASB and intervene early. It also helps the Council to liaise closely with other agencies, particularly support providers, Social Services and the Police. Being familiar with and having good relationships with neighbours is also a priority.

The Council already uses CCTV to support the management of accommodation and will be increasingly engaging with residents using mobile phone technology. The Council is keen to develop this further to maximise networking with residents.

The current access arrangements to the Housing Options Team and homeless assessments is through a centralised telephone arrangement. The Council is keen to review this to achieve more face to face contact. Possible options being considered are a return to using surgeries, home visits, joint meetings with other agencies and the use of video technology, including equipment being available in the Council's four area Hubs.

Recommendations:

- Implement an area/ patch based approach to managing accommodation in order to foster close and pro-active relationships with clients, the local community and local agencies.
- Identify opportunities to maximise face to face contact with a particular focus on persons needing homeless advice or making homeless applications.

11. Up-skill and empower local volunteers and community assets to help deliver a strategic, coordinated response to ending homelessness.

Current Situation

The use of volunteers and community assets currently isn't part of the Council's homeless service, although the Council has previously used Monmouth Churches to provide a winter night-shelter.

This Transition Plan currently doesn't include any proposals in relation to links with local volunteers or community assets.

However, the Council has close and established links with a number of voluntary agencies with whom the Council is currently working with.

Recommendation

- To liaise with the Council's Community & Partnerships Team to identify potential opportunities that will secure additional support for homeless households in Monmouthshire.

12. A collaborative approach to planning and delivery.

The Council is committed to the collaborative development of homeless services in Monmouthshire. A particular priority is to work in partnership with other agencies to particularly identify and maximise opportunities that strengthen prevention, facilitate additional accommodation and increase support to applicants. Some of the existing and emerging partnership arrangements include:

Current and emerging partnerships include:

- MCC Partnerships – e.g. Housing Support Grant Commissioning; Social Care; Estates etc.
- Housing Associations – permanent and temporary accommodation
- Gwent Community Psychology – mental health services for young people (16 & 17 year olds)
- Skills for Living – mental health services for Care Leavers
- Gwent Substance Misuse & Alcohol – Assertive Outreach
- Pobl – Steps to Independence shared living service. Pobl are due to acquire a property in Abergavenny which it is hoped can be used for homeless young people
- Cyfannol – Crisis support and the acquisition of two additional units of dispersed accommodation in the South. It is hoped that through closer links with Cyfannol this will benefit victims of domestic abuse.

13. Solutions for people with No Recourse to Public Funds.

Presentations from this group are extremely rare in Monmouthshire. Only one presentation has been received in the last few years. It is, therefore, anticipated that this is likely to be the case going forward. However, in the unlikely event of such a presentation, the Council would receive any approach sensitively.

14. Housing Options Team

Current Situation

In order to meet Welsh Government policy themes, there is a need to give consideration to Housing Options Team staffing. There is a need to ensure staffing levels and the team structure are both fit for purpose, in order to fulfil the requirements of Welsh Government policy guidance and to ensure that the Council is able to both adequately and proactively assess and manage the needs of homeless people presenting to the Council. There is also a need to make sure existing staff are supported, in the context of a change in the nature of the demand.

The change in Welsh Government policy and the change in demand is resulting in:

- The need to continuing to identify opportunities for strengthening homeless prevention
- The need to ensure case management and co-ordination is robust and close working with partner agencies
- Greater numbers of vulnerable people with higher needs are being placed in temporary accommodation. This has created additional management and support demands
- The need for additional temporary accommodation and of a higher quality
- Introducing a psychologically and informed approach.
- Multiple initiatives
- Making sure staff are fully supported in the context of an increasingly reactive and challenging working environment that is increasingly reactive and challenging.
- Training needs being identified. There is a need to ensure that staff are being supported proactively in this regard.

Recommendation

- Review the staffing needs and structure of the Housing Options Team. Potential funding has been identified through the Housing & Communities 2021/22 Budget Mandate.
- Review the homeless related training needs of all staff and establish a programme of training.



SUBJECT:	Report to Federate the Governing Bodies of Kymin View and Llandogo Primary Schools.
MEETING:	Cabinet
DATE:	3rd March 2021
DIVISION/WARDS AFFECTED:	Wyesham, Llandogo, Trellech

1. PURPOSE:

To conclude the statutory process on the proposal to federate the Governing Bodies of Kymin View Primary School and Llandogo Primary School.

2. RECOMMENDATION:

- 2.1 That members consider the Consultation Report in Appendix 1 and agree to federate the Governing Bodies of Kymin View Primary School and Llandogo Primary Schools with effect from 1st September 2021 and in line with the reasons stated within this report

3. KEY ISSUES:

- 3.1 Following the resignation of the Headteacher of Llandogo Primary School in May 2020, there was no leadership structure in place within the school to appoint an acting head teacher and this is often the case in small schools. Headteacher recruitment is challenging across all phases now and to find a Headteacher for a small school such as Llandogo Primary School would be difficult.
- 3.2 The Education (Small Schools) (Wales) Order 2014 defines a small school as one that contains fewer than 91 registered pupils. Llandogo Primary School is by definition a small school and currently has 83 pupils on roll.
- 3.3 The Governing Body of Llandogo Primary School approached the Local Authority to assist with the recruitment of an Executive Headteacher.
- 3.4 The Governing Body of Llandogo Primary School asked the Local Authority to support a 'soft' federation with Kymin View Governing Body from May 2020 and for the academic year 2020/21.
- 3.5 The Governing Bodies of both schools agreed to look at formally federating from September 2021.
- 3.7 The Headteacher of Kymin View Primary School became Executive Headteacher for both schools from May 2020 and for the academic year 2020/21.

- 3.8 A consultation process took place between November 30th 2020 and January 24th 2021. A copy of the Consultation report is contained within the papers provided.
- 3.9 The consensus from the consultation is positive and supportive overall. A very few concerns about consistency in learning and balancing leadership capacity were raised. However, there were no negative comments against the proposal.
- 4 **EQUALITY AND FUTURE GENERATIONS EVALUATION (INCLUDES SOCIAL JUSTICE, SAFEGUARDING AND CORPORATE PARENTING):**
- 4.1 Evidence suggests that federating schools and working together through a single governing body structure will help schools raise standards and maintain local education provision by sharing staff skills and knowledge expertise.
- 4.2 A single governing body provides an effective and accountable mechanism for schools to pool resources, release capacity in the senior management team and gain economies of scale and efficiencies enabling them to be viable and sustainable.
- 4.3 An Executive Headteacher will help to enhance provision to the advantage of both Governing Bodies.

5. **OPTIONS APPRAISAL**

Option 1 – Do nothing and request the Governing Body look to recruit a Headteacher for the school from 1st September 2021.

This option was discounted, recruitment to Headteacher posts is difficult and even more so in small schools, such as Llandogo School.

Option 2. - Local Authority consults on the federation and does not proceed

This option was discounted. The consultation took place between the 30th November and 24th January 2021. The feedback from the consultation for the proposal was positive and supportive overall. A very few concerns about consistency in learning and balancing leadership capacity were raised. However, there were no comments against the proposal.

Option 3. – Local Authority consults on the federation and proceeds

This is the preferred option. The feedback received for the proposal was positive and supportive overall. There were no comments against the proposal. The proposal will help raise standards through sharing experience and resources. There is also the opportunity to pool resources and gain economies of scale.

6. **EVALUATION CRITERIA**

The Federation will provide strategic leadership and management structures that are more sustainable in the longer term. It will provide staff with the opportunities to learn from each other within a wider professional learning community. A shared focus on

implementing the new curriculum, national priorities, and the ALN Act will reduce workload for staff and support sustained school improvement.

The evaluation and effectiveness of the Federation will be through continuous school improvement and the sustainability of the two schools. It is not proposed to evaluate the impact of the Federation annually. However, the Federation will be part of our usual arrangements for monitoring the effectiveness of our schools.

7. REASONS:

The LA wishes to promote collaboration between its schools as part of the school reorganisation programme. School federation is a structured way of extending collaboration and promoting closer working relationships and is the principal initiative for achieving a formal partnership between schools.

It can be difficult to recruit headteachers to small school such as Llandogo Primary School.

Pooling a range of resources with a larger school can reduce the limitations placed on small schools.

Federation works on the basis that both schools have their own particular strengths and advantages, be that staff, resources or facilities.

7. RESOURCE IMPLICATIONS:

7.1 Each school will maintain its own individual school budget

7.2 There will be a small saving within the school budget due to one head over two schools; however, these savings appear in the MTFP.

8. CONSULTEES:

Cabinet Members
DMT

9. BACKGROUND PAPERS:

The Federation of Maintained Schools (Wales) Regulations 2014

10. AUTHOR:

Sharon Randall-Smith – Head of Service Children and Young People Directorate.

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monmouthshire
sir fynwy

CONSULTATION REPORT

Federation of the Governing Bodies of
Kymin View and Llandogo Primary Schools.

Contents

1. Introduction
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6. Results and comments received during the consultation
7. General overview and consensus

Appendix 1 - List of Consultees

Appendix 2 - Report on views of children and young people.....

Appendix 3 - Report on views of parents and public

1. Introduction

The Local Authority (LA) wishes to promote collaboration between schools as part of its school reorganisation programme and to improve outcomes. School federation is a more formal way of extending collaboration and promoting closer working relationships and is the principal initiative for achieving formal partnership working amongst schools thus helping to improve performance and narrow the attainment gap.

The Federation of Maintained Schools (Wales) Regulations 2014 revoke and replace the 2010 Federation Regulations and additionally provides LAs with a mechanism to federate schools.

The 2014 Federation Regulations set out how the governing bodies of between two and six maintained schools can federate. In addition, they set out how LAs can federate schools. The regulations prescribe how federation may be proposed, established, constituted and how one or all schools may leave it.

Monmouthshire County Council has a statutory duty to secure sufficient and suitable school places for children within its County, and in doing so ensure that resources and facilities are efficiently utilised to deliver the education opportunities that our children deserve.

The purpose of the consultation was:

To federate the Governing Bodies of Kymin View Primary School with Llandogo Primary School.

This consultation report now represents the council's responsibilities in line with the Federation of Maintained Schools (Wales) Regulations 2014 to produce a report outlining the date of the publication of the proposal, the date of return of responses, the length of the period for stakeholders to submit a response and a summary of the responses.

2. Distribution of the Consultation Report

The Consultation report was distributed to the following:

- Parents/ carers of pupils attending Kymin View and Llandogo Primary Schools
- All staff employed at Kymin View and Llandogo Primary Schools
- Governing Bodies of Kymin View and Llandogo Primary Schools
- Trade Unions for Teaching and Support Staff
- All County Councillors in Monmouthshire
- Headteachers Monmouth Cluster
- Chair of Monmouthshire Association of School Governors
- Welsh Government

3. Background to the proposal to federate Kymin View and Llandogo School Governing Bodies

The Education (Small Schools) (Wales) Order 2014 defines a small school as one that contains fewer than 91 registered pupils. Llandogo Primary School is by definition a small school and currently has 83 pupils on roll.

As of the 1st May 2020, Llandogo Primary School did not have a Headteacher or a Deputy Headteacher to act up until a new a new Head could be appointed. It is widely known that Headteacher recruitment is currently challenging and finding a Headteacher for a small school such as Llandogo would be particularly difficult. Therefore, in the short term the Governing Body of Llandogo School in conjunction with the Local Authority looked to appoint an Executive Headteacher from 1st May 2020 and for the academic year 2020/21.

In May 2020, the Governing Body of Kymin View Primary School agreed to release their Headteacher to undertake the role of Executive Headteacher of Kymin View Primary School and Llandogo Primary School for the academic year 2020/21. In addition to this, there was an agreement to commence the process to federate the two Governing Bodies from September 1st 2020.

Both schools have similar aims, values and ethos, which make them ideal for federation.

Kymin View Primary School

Situated in one of the most beautiful parts of the Wye Valley, in the community of Wyesham, Kymin View Primary School was opened in September 2007.

The School values every individual and promotes the highest standards of achievement by all pupils regardless of ability, religion, ethnic origin or gender. All children are encouraged to think for themselves, placing emphasis on problem solving, decision making and becoming independent learners.

The Schools mission statement is that ‘Today matters for tomorrow’s successes. The school will provide a learning environment where potential is maximised. It will nurture confident individuals who value themselves and provide each child with the opportunity to develop socially as well as academically.

The School’s mission is that all members of the school community “Achieve to Grow” and to enable this mission to be realised the school values, nurtures and motivates all members of its community.

Llandogo Primary School

Llandogo School is a Community Primary School situated in the heart of the Wye Valley, one of the most picturesque places in Great Britain. The School caters for children from the ages of 4 to 11.

At Llandogo School, in conjunction with the parents, the staff and Governing Body strive to offer all pupils a broad, balanced, creative education regardless of their ability, gender, race, culture, or religion. All learners are given equal opportunities to develop their basic skills of literacy and numeracy along with skills in thinking, information communication technology and personal and social education, thus enabling them to access the wider world of learning.

The school is at the centre of the community and ensures it remains at the heart of the community by fostering links with local people and organisations.

Kymin View is a self-improving school that has secured a strong position in the wider schooling system in Monmouthshire. Llandogo is an improving school and has made suitable progress over the past two years. Both schools are stable.

The following information provides the comparative performance of the two schools in 2018. Welsh Government changes to reporting regulations from 2019 mean that the Local Authority is unable to provide performance outcomes for individual schools from 2019 onwards*.

Foundation Phase Indicator O5+

	2018	2019*	2020*
Kymin View	91.7%	NA	NA
Llandogo	100%	NA	NA

Foundation Phase O6+

	2018	2019*	2020*
Kymin View	37.5%	NA	NA
Llandogo	20.0%	NA	NA

Key Stage 2 Core Subject Indicator L4+

	2018	2019*	2020*
Kymin View	96.7%	NA	NA
Llandogo	90.0%	NA	NA

Key Stage 2 Core Subject Indicator L5+

	2018	2019*	2020*
Kymin View	37.9%	NA	NA
Llandogo	20.0%	NA	NA

Kymin View Primary School has a surplus budget, and is projected to continue this surplus position into the next academic year.

Llandogo Primary School has a deficit budget. The school has prepared a budget recovery plan, agreed by the governing body, which will see the school return to a surplus budget in 2023/24. .

Numbers on roll projected to decline at both schools over the next 5 years.

School	Jan 2020	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025
Kymin View	164	162	151	151	143	137
Llandogo	79	84	75	70	57	54

The proposed Instrument of Government for the Governing Body of Kymin View and Llandogo Primary Schools are attached at Appendix 1.

4. A reminder of our proposal

The proposal is formally federate the Governing Bodies of Kymin View Primary School and Llandogo Primary Schools.

It is proposed an Executive Headteacher will head up the Federation should it go ahead.

Currently following the resignation of the Headteacher of Llandogo Primary School in 2020 there has been a 'soft' federation in place and the Headteacher at Kymin View Primary School is currently Executive Headteacher of both schools.

5. Consultation Arrangements

Methodology

Consultees listed above in Section 2 were provided with a copy of the consultation document in readiness for the consultation to commence on 30th November 2020.

Consultees were advised of the following opportunities to respond to the consultation proposals:

- In writing using the pro forma at Appendix 5 to Sharon Randall-Smith, Monmouthshire County Council, County Hall, The Rhadyr, Usk. NP15 1GA
- By Email strategicreview@monmouthshire.gov.uk
- By attending a consultation meeting

The consultation closed on 24th January 2021

Consultation Meetings

As part of the consultation process, the Council held consultation sessions, which were open to staff, governors, parents, Trade Unions, and members of the community to ensure engagement with all interested parties who may wish to learn about the proposal. Lockdown restrictions meant that consultation sessions were held virtually rather than face to face. At the same time, schools were closed to pupils and this meant that the local authority was unable to consult with the school council.

Kymin View Primary School	12 th January 2021
Llandogo Primary School	14 th January 2021
Staff and Trade Unions Kymin View	20 th January 2021
Staff and Trade Unions Kymin View	21 st January 2021

Senior officers of the Councils' Directorate attended all of the consultation meetings for Children and Young People. The consultation meetings provided interested parties with an opportunity to learn more about the proposals and ask any questions / raise any concerns.

Officers in attendance at the consultation meetings provided reassurance that any comments / concerns raised were recorded and fed into the consultation outcomes. Consultees were also encouraged to submit their formal responses through one of the preferred available methods.

The comments raised and key themes of concern raised during the consultation meetings have been summarised and included as part of the overall responses received in section 6 of this document.

6 Results and Comments

The Council has received a number of responses to the consultation exercise. A broad profile of the respondents are outlined in the table below

	Total
Parents	2
Staff	8
Governors / Governing body	2
Trade Unions	1 letter
Other organisations	0
Total	13

The below table shows a summary of the comments / concerns raised during the consultation period together with the Council's responses. The comments / concerns have been drawn and summarised from any written responses received together with the feedback given during the consultation meetings.

Question/Comment	Council Response
Given the MCC budget predicament, is this a formality and are key stakeholders wasting their time with this box ticking exercise?	Llandogo Primary School Governing Body approached the Local Authority with a request to federate with Kymin View Primary School. We have responded positively to this request and have supported the consultation process. Any decision relating to the federation will be based on feedback gathered during the process.
Has this been given enough thought and is there a precedent for this within schools in Monmouthshire?	The Local Authority successfully supported a federation between Kymin View and Llandogo Primary Schools. This federation has been in place for almost two years and both schools are thriving.
This feels like this arrangement has been in place for some time. What is the feedback from school leaders at both schools?	A temporary arrangement has been in place between both schools since May 2020. Feedback from governors and leaders is positive.

<p>Given the amount of debt, which Llandogo seems to be carrying now, I am worried that this will affect Kymin View in relation to children, staffing and resources. Can the panel confirm that Kymin View resources be maintained at current levels?</p>	<p>A Federation agreement does not allow any cross over of budgets. Each school will retain its individual delegated budget.</p>
<p>How can a school (Llandogo) under our LA become so heavily in debt?</p>	<p>The historic reason for the debt is that the schools was overstaffed for a number of years, this included running an additional class and thus incurring the costs from their own budget.</p> <p>All these issues had now been addressed and there is a recovery plan in place with has been agreed by the LA and GB and the balance is set to improve.</p>
<p>The benefits seem clear for Llandogo but I struggle to see the benefits for Kymin View.</p>	<p>Llandogo School will benefit the most from the Federation initially as it is difficult to recruit to head teacher posts in small schools.</p> <p>Increased opportunities for joint working for staff in both schools can help to share expertise and ease workload. For example, working with a wider group of staff will reduced the individual workload and reduced duplication as the schools implement the new curriculum.</p> <p>The Federation will also provide new opportunities for pupils in Llandogo and Kymin View. For example, children can play team games such as football and netball, and they can share the cost of enhanced educational experiences</p>
<p>How will the Headteacher be able to manage being a visible presence in both schools?</p>	<p>The Executive Headteacher will have set times to be in each school and these will be shared with pupils, staff and parents.</p>
<p>The Headteacher is an Estyn Inspector. Can all this responsibility be managed practically?</p>	<p>Many of our Headteachers work with other organisations, including Estyn and the EAS for short periods throughout the school year. This provides school leaders with an opportunity to see good practice outside of the local authority and bring it back to share in their own school.</p>
<p>Given the current situation, very few parents have had the chance to meet the Kymin View Head or discuss her</p>	<p>We have facilitated virtual meetings with stakeholders, which the Headteacher has attended. The consultation for a</p>

views on taking the school forward. Shouldn't the consultation be delayed until this can happen?	federation follows a statutory timeline and so we are unable to delay the process.
The consultation document showed heavily dwindling pupil numbers into the future. What are these forecasts based on? I am interested in the projection numbers given for the last year as those children are yet to be born.	Pupil forecasts are based on a combination of live birth numbers and historical trends in the catchment area. Although the last predication does not use live births, the historical trends over time is a helpful indication of numbers in the future.
What does it mean for school resources? Number of teaching staff/back office staff?	The delegated budget will remain for each school so that staffing and resources will be determined in the same way as it has in previous years.
I noticed the projected numbers are to fall in Llandogo and Kymin View, if that was to reverse and the numbers were to increase, is it likely that the federation would then dissolved.	If the proposal goes ahead, there will be a formal federation agreement in place. However, if overtime circumstances change, there is a formal process to dissolve the federation.
The staff, which we are representing, are part of the resource of the school. I am working on the theory that you are not expecting staff to move between sites.	Schools in the federation would retain their own staff as they do at present. However, staff would be supported to work across schools if there was an opportunity and if they wished to do so.
If in the future you have a PPA teacher that could work on both sites, would that be a new contract effectively?	If staff needed to work in both schools, this would require consultation and a new contract of employment.
Is there a plan to close either School on the back of this federation/joining? Is the plan to merge the two entirely I.e. close Llandogo? It would not be viable.	There are no plans to close either school. The proposal to federate is predicated on securing the sustainability of both schools.
Is it the plan that the staff share the workload and the planning etc, or is it for financial pressures	Increased opportunities for joint working for staff in both schools can help to share expertise and ease workload. For example, working with a wider group of staff will reduced the individual workload and reduced duplication as the schools implement the new curriculum.
I am coming from a school that was closed down a few years ago. I am thinking from a business point of view a financial point of view, if we have got more children here and we've got more money to support those children and Llandogo have less so will Kymin View be sharing their money with Llandogo for the resources really, not staff.	The delegated budget will remain for each school so that staffing and resources will be determined in the same way as it has in previous years. There will be increased opportunities for staff to work together.
NEU asked about the role of Executive Headteacher. In the consultation document, it mentions this in the	A federation between the two schools means that leadership is shared from within the schools. In this case, there is

opening; it confirms it will continue until September 2021. Is it going to continue beyond that point?	a temporary Executive Headteacher arrangement in place. If the proposal were accepted, then this arrangement would remain in place.
Does that mean that there will be no further appointments of Deputy Heads or anything like that to fill vacancies in the future?	This would be a matter for the Federated Governing Body to consider of the proposal goes ahead.
Have you had any feedback from parents at all and at this point, they have been asked? What their opinions so far and have had positive feedback about the federation.	During the consultation, parents have had the opportunity to ask questions in live sessions and to share comments. Parents are also able to send questions and comments to the Local Authority for at any time during the consultation period. All comments and questions relating to the federation proposal will be included in the Consultation Report submitted to Cabinet.
There will inevitably be a higher workload on the head teacher, how does the HT access support to keep up with this?	The Headteacher will have dedicated time in both schools to focus on individual school priorities. However, many common priorities would only need to be completed once on behalf of both schools. For example, statutory policies. It will be up to the Headteacher in collaboration with the Governing Body to determine what support would be needed to balance the needs of the schools and wellbeing.
When a new Head teacher is recruited will this make it a harder process, would being HT of two schools put off applicants?	Many Headteachers are already interested in becoming a Headteacher of a Federated School. It gives experienced Headteachers an opportunity to move on to a larger school and to further their career. A federation can potentially attract a wider number of experienced of applicants.
In view of the fact that the Federated Governing Body will have a different composition to that currently in each school. How will the governing body be elected?	If the proposal does go head, a new Governing Body will be established to take over from 1 st September 2021. The Local Authority will support governors in both schools to go through the process of establishing a Federated Governing Body. Until the federation comes into effect, existing governing bodies will retain their current roles and responsibilities.

Comments from Parents

As a parent of children at the school – the feeling from a number of parents is that the school could be doing more to support attainment. The key word is consistency and we do feel that there is a huge difference in expectations in our school This should not be the case, as every child deserves the same chances in education. I could support the joining of schools if I felt that Kymin View would gain from this..... I feel our school should be pushed harder to deliver. The Green School status is a very poor indicator of teaching and learning in my view.

Before this pandemic, we have noticed gaps in learning and we would question whether this watering down of leadership is a good idea – but in light of the pandemic, it would seem that school leaders should be focused on the school in question.

Comments from Staff

The opportunity to have that possibility of seconding across, having built that relationship with another school is actually very positive for me and for any teacher, because it gives you those chances to upskill and develop without having to move around too far and look for opportunities elsewhere. So having the federation opportunity I think is a positive one for the staff members themselves. Obviously with everybody being willing and people not being moved when they do not want to be. I think it is fabulous.

Education, as everybody here knows, it is not always the easiest career to gain experience, because you have to leave a job to take a job. Whereas if you already have some in-house opportunities, whether it is in your setting or your partner setting. I think that is invaluable.

As a Teaching Assistant at Llandogo Primary, she feels on her own a little bit, as there are only two Teaching Assistants. Knowing that there are people who are trained in a similar sort of area I do not feel as if I am on my own anymore. There might be things you have not done for a while and you might need a bit of a boost. It is nice to know that the Headteacher has a team there that are trained in exactly the same things as me. I can then ask if I can meet up with other Teaching Assistants to have a chat. It is a positive from my point of view as a TA.

Although cluster relationships are positive. However, it is very different from talking to somebody in a cluster school than talking to somebody who is part of your federation – your partner school. You can develop your personal relationships as well as your skills.

Member of staff commented that the schools are almost the opposite end of the spectrum in some respects of what the children bring to school. It is important to retain the two schools, but within one federated partnership, everybody gets the best of it then.

I feel a positive area is the increased opportunities for the children. We need to remember what our roles are and what we do. I am currently the Year 5 and 6 teacher, and as a small school with small cohorts. So having the chance for my

Year 6 to engage on a frequent basis with a federated partner with their Year 6 will be very beneficial for the children to start to build those relationships, particularly in preparation for the moved from Key Stage 2 to Key Stage 3. Our child already do present very confidently, but I think that for them it will be a good opportunity to have that partnership to help our children as well

I think reading the consultation, seeing that the schools will retain their own independence and that there will be a joint Governing Body, I think that is good. You get the best from both schools and we, as Llandogo, will still maintain our independence. We will maintain our unique uniform and registrations. It will still be Llandogo, and Llandogo will not disappear and that is quite lovely. It is not a drawback, it is a strength.

As we have had the opportunity of the interim Headteacher cover, the fact that that is where we are going for our federation I think is the right way to provide consistency. We have already started developing those relationships, both as staff and with our children and our families knowing the Headteacher. If we had to look for federation elsewhere, we would need to start that process all over again. I think that having had the agreement of the interim Headteacher I feel it is another positive for a federation.

Comments from Governors

I can see that this could benefit both schools in sharing costs that are currently doubled up and time working on similar documents such as policy writing, which would be the same in both schools. I can also see that sharing resources would be beneficial and that this could improve opportunities for staff especially those in Llandogo being a smaller school.

I would like to point out that in federating, it is imperative that a strong senior leadership scheme is in place in both school so that when the Head teacher is not on site decisions and responsibility are covered.

Having spoken to a Governor at a recently federated school, I would like to bring up the point that combining the Governing bodies of the two schools may mean that individual Governors may feel that they do not contribute so much in meetings and to the role in general. Alternatively, fresh ideas from a wider Governing body may be beneficial.

Comments from Trades Unions

The National Education Union, Monmouthshire District, which provides support to a substantial number of teaching and learning support staff members at Kymin View and Llandogo Primary Schools, broadly welcomes the proposed partnership between the two schools by the formal federation of the two Governing Bodies.

The Union understands that the Federated Governing Body and Headteacher will decide how the Federation is structured and operates to ensure the workings and arrangements match the needs of both schools.

In this respect, the Union would expect the Federation to have a detailed action plan and agreed staffing structure that provides the framework for more detailed planning and the day-to-day organisation and management of the two schools, including times when the Headteacher and/or Deputy may not be present at either site at any time, and which would be shared with the Union and the other recognised trade unions.

The Union would also wish to see that there are clearly defined, recorded and agreed job descriptions assigned to staff within each school in relation to their roles, and particularly where they may be changed or adapted to meet the demands of the Federation action plan and any other revision to the staffing structure, roles and responsibilities.

From comments relating to recent post-Federation experiences, the Union would draw attention to the disadvantage of an immediate strive for consistency across the two schools while the development plans of one school might be different to those from the other. Experience has shown, that with time and through careful management and supportive leadership, this tends to sort itself out, and especially where there are both efficient and effective communication and information systems between and across both schools.

The Union recognises that while each school will remain open in its community, keep its own budget, character, school uniform, admissions arrangements and ethos, and undergo its own Estyn inspection when appropriate, it may give the children access to a broader curriculum which could enrich their experiences, provide high quality education and help raise their attainment.

By federating the schools, the provision of a wider curriculum could offer real choices and options for the children that perhaps smaller schools cannot always provide with having fewer staff. Sharing teachers and teaching expertise, learning from one another and sharing good practice are all perceived as advantages associated with federating.

As one NEU member at a recently Federated school stated, "In a small school it can feel a little isolated at times professionally speaking, and I have enjoyed the sharing of resources, advice, etc. It has been valuable professionally to share responsibilities and have a wider support network. The level of professional dialogue has increased."

Through Federation, each school's commitment is formalised and the collective decision making of the single governing body should protect the provision of quality of education for the children, ensure resources are properly prioritised where needed and prevent individual schools from reallocating their resources for other priorities as and when it suits them.

However, the Union would not expect this to lead to an increase in workload for its members and unnecessary or excessive travelling between the respective school sites. Consideration in the planning of any activities and movements between school sites should take account of staff well-being and work-life balance.

While it is accepted that there will be a continuing reduction in school leadership costs with a single Headteacher, and savings in the administration costs of the single Governing Body, the Union anticipates that the proposed Federation is about a more cost-effective way of increasing additional learning opportunities at both schools, such as sharing the costs of purchasing goods and facilities to achieve economies of scale and avoiding duplication, savings on curriculum and strategic planning and administrative time, and being able to pool funding to recruit staff for specialist activities and events.

The Union recognises the Federated Governing Body will be responsible and accountable for making strategic decisions on the deployment of resources including budgets, staff and facilities, and would thus expect each school to keep a clear and transparent audit trail and accounts for their respective budget spends.

8 General overview and consensus

The consultation process highlighted considerable support for the principles of the proposal.

Parents at Kymin View were keener as to how the school would benefit from the Federation and that it would only be Llandogo School that could benefit. However when parents were informed in more detail of the benefits of federation such as pupil achievement, extra-curricular opportunities, transition and staff professional development, they were more reassured.

Parents at both schools were concerned around the future sustainability of the schools but following the virtual session were reassured that the Federation would make the schools future more secure.

The feedback received for the proposal was positive and supportive overall. A very few concerns about consistency in learning and balancing leadership capacity were raised. However, there were no comments against the proposal.

Appendix 1 –Proposed Instrument of Government

INSTRUMENT OF GOVERNMENT: FEDERATED SCHOOLS

1. The name of the federation is THE GOVERNING BODY OF KYMIN VIEW AND LLANDOGO PRIMARY SCHOOLS.

2. The names and categories of the schools in the federation are:

Name	Category
1. KYMIN VIEW PRIMARY SCHOOL	COMMUNITY SCHOOL
2. LLANDOGO PRIMARY SCHOOL	COMMUNITY SCHOOL

3. The name of the governing body is THE GOVERNING BODY OF KYMIN VIEW AND LLANDOGO PRIMARY SCHOOLS.

4. The governing body shall consist of the following:

Category of governor	No. in each category
Parent Governors: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	TWO PER SCHOOL
Headteacher (except at any time when he/she has given written notice to the clerk to the governing body of the School that he/she chooses not to be a governor).	ONE
Staff Governor: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	ONE PER SCHOOL
Teacher Governor: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	ONE PER SCHOOL
LA Governors	TWO PER SCHOOL
Community Governors	TWO PER SCHOOL
Additional Community Governors	ONE

5. The total number of governors appointed in accordance with Part 4 of the Federation Regulations shall be EIGHTEEN (except any time when the Headteacher has given notice that he/she chooses not to be a governor, when the total number of governors will be 17).
6. The Additional Community Governor will be a governor for whose appointment nominations are to be sought from the minor authority.
7. In accordance with Part 4 of The Federation of Maintained Schools (Wales) Regulations 2014 this instrument of government comes into effect on 1ST SEPTEMBER 2021
8. This instrument comes into effect on
9. This instrument was made by order of LA on *or before*

THE COMMON SEAL of)
MONMOUTHSHIRE COUNTY COUNCIL)
was hereunto affixed in the presence of:)

Authorised Officer

Appendix 2

The following have been provided with a copy of the Consultation report

- All staff employed at Kymin View and Llandogo Primary Schools
- Governing Bodies of Kymin View and Llandogo Primary Schools
- Parents of pupils attending Kymin View and Llandogo Primary School
- Trade Unions for teaching and support staff
- County Councillors for Central Monmouthshire and Lower Wye areas
- Headteachers Monmouth Cluster
- Chair of Monmouthshire Association School Governors
- Welsh Government

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CONSULTATION DOCUMENT

Proposed Federation of Kymin View
Primary School and Llandogo Primary
School

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Dear Consultee

Proposed Federation of the Governing Bodies of Kymin View Primary School and Llandogo Primary School

Monmouthshire County Council are proposing the federation of the Governing Bodies of Kymin View Primary School and Llandogo Primary with effect from September 2021 and are therefore required to consult staff, parents/ carers and stakeholders on the proposal.

We are required to provide consultees with at least 6 weeks (excluding school holidays) in which to respond to the consultation document and provide the Local Authority with feedback on the proposal. Taking this into account consultation will commence on the 30th November 2020 and will end on 24th January 2021. It is important to provide comments if you support or object to the proposal.

Any comments or observations on the proposal can be made:

- In writing using the pro forma at Appendix 5 to , Sharon Randall-Smith, Monmouthshire County Council, County Hall, The Rhadyr, Usk. NP15 1GA
- By Email strategicreview@monmouthshire.gov.uk
- By attending a drop-in session at Kymin View Primary School on **Tuesday 12th January from 3:30pm - 6:30pm**, or Llandogo Primary School on the **Thursday 14th January from 3:30pm - 6:30pm**. Officers will be there to answer any questions on the proposal and any comments received will be recorded and included as part of the documentation examined by the council in order to make an informed decision.

Further information regarding this proposal including the consultation document can be found at www.monmouthshire.gov.uk/schoolreorganisation however if you would prefer a hard copy of the document then please contact Kymin View or Llandogo school directly.

Appendix 4 of the consultation document provides the responses to some Frequently Asked Questions

Yours sincerely

Will McLean
Chief Officer
Children and Young People Directorate

1. Introduction

As part of its school reorganisation programme and to improve outcomes the Local Authority (LA) wishes to promote collaboration between schools. School federation is a more formal way of extending collaboration and promoting closer working relationships and is the principal initiative for achieving formal partnership working amongst schools thus helping to improve performance and narrow the attainment gap.

The Federation of Maintained Schools (Wales) Regulations 2014 revoke and replace the 2010 Federation Regulations and additionally provides LAs with a mechanism to federate schools. The 2014 Federation Regulations set out how the governing bodies of between two and six maintained schools can federate. In addition, they set out how LAs can federate schools. The regulations prescribe how federation may be proposed, established, constituted and how one or all schools may leave it.

The purpose of this consultation is to federate Kymin View Primary School with Llandogo Primary School.

The Education (Small Schools) (Wales) Order 2014 defines a small school as one that contains fewer than 91 registered pupils. Llandogo Primary School is by definition a small school and currently has 83 pupils on roll.

As of the 1st June 2020, Llandogo Primary School did not have a Headteacher or a Deputy Headteacher to act up whilst a new Headteacher could be appointed. It is widely known that Headteacher recruitment is currently challenging and finding a Headteacher for a small school such as Llandogo would be particularly difficult. Therefore, in the short term the Governing Body of Llandogo School in conjunction with the Local Authority looked to appoint an Executive Headteacher for the remainder of the academic year 2019/20 and the academic year 2020/21.

In June 2020, the Governing Body of Kymin View Primary School agreed to release their Headteacher to undertake the role of Executive Headteacher of Kymin View Primary School and Llandogo Primary School for the remainder of the academic year 2019/20 and the academic year 2020/21. In addition to this, there was an agreement to commence the process to federate the two schools from September 1st 2021.

2. Background to Kymin View and Llandogo Primary School

Kymin View Primary School

Situated in one of the most beautiful parts of the Wye Valley, in the community of Wyesham, Kymin View Primary School was opened in September 2007.

The School values every individual and promotes the highest standards of achievement by all pupils regardless of ability, religion, ethnic origin or gender. All children are encouraged to think for themselves, placing emphasis on problem solving, decision making and becoming independent learners.

The Schools mission statement is that 'Today matters for tomorrow's success'. The school will provide a learning environment where potential is maximised. It will nurture confident individuals who value themselves and provide each child with the opportunity to develop socially as well as academically.

Llandogo Primary School

Llandogo School is a Community Primary School situated in the heart of the Wye Valley, one of the most picturesque places in Great Britain. The School caters for children from the ages of 4 to 11.

At Llandogo School, in conjunction with the parents, the staff and Governing Body strive to offer all pupils a broad, balanced, creative education regardless of their ability, gender, race, culture, or religion. All learners are given equal opportunities to develop their basic skills of literacy and numeracy along with skills in thinking, information communication technology and personal and social education, thus enabling them to access the wider world of learning.

The school is at the centre of the community and ensures it remains at the heart of the community by fostering links with local people and organisations.

3. Schools Aims and Policies

AIMS:

Kymin View Primary School

The staff and governors at Kymin View Primary School work in partnership with parents to

- provide a learning environment where potential is maximised. nurture confident individuals who value themselves and others.
- provide each child with the opportunity to develop socially as well as academically.

Llandogo Primary School

The staff and governors at Llandogo Primary School work in partnership with parents to ensure that children:

- Operate as independent learners and thinkers
- To inspire a love for learning
- Are provide a relevant curriculum for all
- For children to value themselves
- To foster a sense of belonging to a community

POLICIES:

Both governing bodies have the required statutory and recommended policies in place. A list of these policies may be obtained from the school office in each school .

4. Pupil Attainment

Kymin View is a self-improving school that has secured a strong position in the wider schooling system in Monmouthshire. It is a stable and well-run school.

Llandogo is an improving school and has made suitable progress over the past period. It is a stable school.

The following information provides the comparative performance of the two schools in 2018. Welsh Government changes to reporting regulations from 2019 mean that the Local Authority is unable to provide performance outcomes for individual schools from 2019 onwards*.

Foundation Phase Indicator O5+

	2018	2019*	2020*
Kymin View	91.7%	NA	NA
Llandogo	100%	NA	NA

Foundation Phase Indicator O6+

	2018	2019*	2020*
Kymin View	37.5%	NA	NA

Llandogo	20.0%	NA	NA
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Key Stage 2 Core Subject Indicator L4+

	2018	2019*	2020*
Kymin View	96.7%	NA	NA
Llandogo	90.0%	NA	NA

Key Stage 2 Core Subject Indicator L5+

	2018	2019*	2020*
Kymin View	37.9%	NA	NA
Llandogo	20.0%	NA	NA

5. School Budgets

Kymin View Primary School year end financial statement is shown in Appendix 1. For the year ended 31st March 2020 the school had a surplus budget of £37,795, the budget set for year ended 31st March 2021 indicates that this will decrease by £25,406 leaving a surplus balance of £12,389.

Llandogo Primary School year end financial statement is shown in Appendix 2. For the year ended 31st March 2020 the school has a deficit budget of £176,535. The school has prepared a budget recovery plan which has been agreed with the Governing Body, this will see the school return to a surplus budget in 2023-24. This recovery plan forecasts that the deficit will reduce by £32,420 in the current financial year taking the deficit to £144,115.

After federation the school budgets still remain as separate budgets with any costs and income attributed to each individual school.

Kymin View Primary School - Budget Statement Appendix 1

Llandogo Primary School - Budget Statement Appendix 2

6. Pupil Projections

The pupil projections for both schools are provided in the table below.

Numbers on roll are projected to decrease at both schools over the next 5 years.

School	Jan 2020	Jan 2021	Jan 2022	Jan 2023	Jan 2024	Jan 2025
Kymin View	164	162	151	151	143	137
Llandogo	79	84	75	70	57	54

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7. HR Compliance

Currently there are no staffing issues at either school, both schools obtain their HR advice from the Local Authority, and both Governing Bodies have adopted all HR policies recommended to them.

8. Premises

Kymin View Primary School is sited on Wyesham Avenue within the village of Wyesham

The school was built in 2006/2007, with a capacity for 210 children (excluding the nursery). The school has easily accessible facilities available for community use.

The building is constructed predominantly from timber and finished with cedar boarding and render and focuses heavily on the use of sustainable materials in its construction. The school has extensive grounds, a hard play area outside the classrooms and a 'multi use games area' at the front of the building. The outdoor area for learning shared by the nursery and reception classes has recently been updated and refurbished.

The building and site are well maintained and in a good state of repair.

Llandogo School was originally constructed in 1975 to provide two classrooms and remodelled in 1985 to accommodate five classrooms, together with a school hall and administrative facilities. The attractive and extensive grounds include a playing field and a community multi-purpose sports facility. There is a village hall adjacent to the school, which houses a playgroup. The school uses the village hall for various functions during the year.

9. Relationship with Community

Both Kymin View and Llandogo Primary Schools are at the heart of their local communities. To this end, both schools actively explore opportunities for children to learn in the local and wider community. This involves visiting different sites and people in their villages and beyond as well as inviting members of the community to work with pupils in school. By teaching children about their communities, they learn to become active members of it. As a result, both schools have very strong relationships with their respective communities.

10. Annual Report to Parents

Both Governing Bodies have discharged their duties in relation to providing an Annual Report to Parents for 2018/19 and are currently preparing an Annual Report for Parents for the academic year 2019/20.

The table below contains the information about the composition of each Governing Body and a list of current members with terms of office.

GOVERNOR TYPE	GOVERNOR	END DATE
KYMIN VIEW PRIMARY		
Community Governor	Ian Roberts	20/11/2023
Headteacher	Sally-Ann Wright	
LA Appointed	Hilary Moriarty	23/11/2020
LA Appointed	Kath Vickers	16/09/2023
LA Appointed	Liz Hacket Pain	16/09/2023
Minor Authority	Jane Gunter	09/06/2021
Parent Representative	Joanne Duffield	06/07/2024
Parent Representative	Craig Anderson	21/12/2021
Parent Representative	Ceri Smith	09/02/2021
Parent Representative	Ceri Tudor	27/11/2024
Staff Representative	Stacy Tobin	14/06/2022
Teacher Representative	Susan Lloyd	25/11/2022
LLANDOGO PRIMARY		
Community Governor	David Trippett	10/07/2023
Community Governor	Jamie Morrison	18/11/2024
Headteacher	Sally-Ann Wright	19/04/2024
LA Appointed	Ann Webb	28/11/2022
Minor Authority	Steve Evans	19/07/2021
Teacher Representative	Emma Merrett	29/11/2022
Staff Representative	Karen Williams	11/11/2024
Parent Representative	Ruth Parker	07/11/2022
Parent Representative	Nicola Jones	08/10/2024
Parent Representative	Helen Hough	08/10/2024

11. Proposed Instrument of Government

Attached at Appendix 3 is the proposed Instrument of Government for the Federation.

12 Timeline for proposal

The timeline for the process is as follows;

Process	Key dates
Publication of formal consultation document	30 th November 2020
Drop in Sessions for Kymin View Staff / parents / stakeholders	12 th January 2021 3:30pm - 6:30 pm
Drop in Sessions for Llandogo Staff / parents / stakeholders	14 th January 2021 3:30pm - 6:30 pm
Deadline for responses to consultation proposals	24 th January 2021
Council examines comments received and make a decision whether to proceed with proposal or not.	3 rd March 2021
Implementation of proposals	1 st September 2021

Appendix 1 - Budget Statement Kymin View Primary School

Kymin View			
Report to period - Period 12 (March 2020)			
	Year-end actual	Budget	Variance to budget (Surplus)/ Deficit
GENERAL INCOME	-275,577	-100,121	-175,456
FUNDING	-826,280	-831,464	5,184
TOTAL INCOME	-1,101,857	-931,585	-170,272
EMPLOYEE COSTS	897,706	800,622	97,084
SUPPLIES AND SERVICES	61,325	16,756	44,569
PREMISES COSTS	58,187	53,365	4,822
TRANSPORT	5,868	0	5,868
SERVICE LEVEL AGREEMENTS	46,423	63,529	-17,106
TOTAL EXPENDITURE	1,069,509	934,272	135,237
CONTRIBUTIONS (TO)/FROM RESERVES	-32,348	2,687	-35,035
RESERVES BROUGHT FORWARD	-5,607	-5,607	
RESERVES CARRIED FORWARD	-37,955	-2,920	-35,035

Appendix 2 Budget Statement Llandogo Primary School

Llandogo Primary School			
Report to period - Period 12 (March 2020)			
	Year-end actual	Budget	Variance to budget (Surplus)/ Deficit
GENERAL INCOME	-93,554	-55,792	-37,762
FUNDING	-312,475	-308,421	-4,054
TOTAL INCOME	-406,029	-364,213	-41,816
EMPLOYEE COSTS	388,582	368,932	19,650
SUPPLIES AND SERVICES	26,180	11,634	14,546
PREMISES COSTS	50,051	39,583	10,468
TRANSPORT	3,300	0	3,300
SERVICE LEVEL AGREEMENTS	30,935	27,870	3,065
TOTAL EXPENDITURE	499,048	448,019	51,029
CONTRIBUTIONS (TO)/FROM RESERVES	93,019	83,806	9,213
RESERVES BROUGHT FORWARD	83,516	83,516	
RESERVES CARRIED FORWARD	176,535	167,322	9,213

Appendix 3 Proposed Instrument of Government

INSTRUMENT OF GOVERNMENT: FEDERATED SCHOOLS

1. The name of the federation is THE GOVERNING BODY OF KYMIN VIEW AND LLANDOGO PRIMARY SCHOOLS.

2. The names and categories of the schools in the federation are:

Name	Category
1. KYMIN VIEW PRIMARY SCHOOL	COMMUNITY SCHOOL
2. LLANDOGO PRIMARY SCHOOL	COMMUNITY SCHOOL

3. The name of the governing body is THE GOVERNING BODY OF KYMIN VIEW AND LLANDOGO PRIMARY SCHOOLS.

4. The governing body shall consist of the following:

Category of governor	No. in each category
Parent Governors: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	TWO PER SCHOOL
Headteacher (except at any time when he/she has given written notice to the clerk to the governing body of the School that he/she chooses not to be a governor).	ONE
Staff Governor: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	ONE PER SCHOOL
Teacher Governor: 1. KYMIN VIEW PRIMARY SCHOOL 2. LLANDOGO PRIMARY SCHOOL	ONE PER SCHOOL
LA Governors	TWO PER SCHOOL
Community Governors	TWO PER SCHOOL
Additional Community Governors	ONE

5. The total number of governors appointed in accordance with Part 4 of the Federation Regulations shall be EIGHTEEN (except any time when the Headteacher has given notice that he/she chooses not to be a governor, when the total number of governors will be 17).
6. The Additional Community Governor will be a governor for whose appointment nominations are to be sought from the minor authority.

7. In accordance with Part 4 of The Federation of Maintained Schools (Wales) Regulations 2014 this instrument of government comes into effect on 15TH SEPTEMBER 2021

8. This instrument comes into effect on

9. This instrument was made by order of LA on

THE COMMON SEAL of **MONMOUTHSHIRE COUNTY COUNCIL** was hereunto affixed in the presence of:

An Elected Member

An Authorised Signatory

.....

Appendix 4 Information for Parents

Kymin View and Llandogo schools have been selected by the Local Authority (LA) to work more closely together by becoming part of a federation. This information will explain what this means for you, your child, and the school itself.

Q1. What is a federation?

Federation is used to describe a 'formal partnership' of schools (between two and six) and is a legal and formal agreement where schools share a single governing body. The schools federation can be a mixture of maintained nurseries, primary schools, special schools and secondary schools. However, faith based schools can only federate with other faith-based schools.

The decision to federate is made either by the governing bodies of the schools involved in the federation or the LA. Each school in a federation remains open in its community, keeps its own budget, character, school uniform, admissions arrangements and ethos, and will have its own Estyn inspection.

Federations can have a Headteacher in every school and / or they can have a single Headteachers for all the schools in the federation - the decision is one for the governing body to make.

There is no blueprint for a federation. Each one is tailored to suit the needs of the different schools and communities. A successful federation will allow the children to access a broader curriculum to enrich their experiences and provide high quality education to help raise their attainment.

Q2. Why has federation suddenly become an option for your school?

There are many reasons why schools of all sizes and type wish to federate or the LA wishes to federate them. Sharing resources such as, teachers and teaching expertise, school leadership, facilities, learning from one another and sharing good practice are just some of the triggers for federation.

For some schools, working more closely in a federation can mean sharing heavy workloads amongst staff whilst allowing schools to continue to provide a wide curriculum that offers real choices and options for pupils, that smaller schools cannot provide with fewer staff.

Federation can also offer career opportunities for staff not normally available to them, for example working in another school in the federation. This can help aid the recruitment of highly qualified teachers to the school. Some schools also face difficulties recruiting good head teachers and federation allows schools to adopt more creative solutions to leadership arrangements.

Q3. What advantages does federation offer the pupils?

Federation can bring many benefits but these will vary depending on the focus and purpose of the federation. Generally, though federation should offer opportunities for pupils of all ages and abilities to meet and work as part of a larger group, which can be particularly beneficial to older, more able, pupils in small schools. Other benefits include pupils being able to access specialist teaching, more sustained and structured social and educational opportunities, team sports, wider curriculum expertise and a wider choice of extra-curricular or out of school activities and clubs.

Q4. How is federation going to work?

Federations will work in different ways. The governing body and Headteacher or single Headteacher will decide how a federation is structured and operates. These people are best placed to ensure the federation workings and arrangements match the need of all the schools involved.

Every federation should have a detailed action plan and agreed staffing structure that provides the framework for more detailed planning and the day-to-day organisation and management of the schools.

Q5. Will governors or the LA listen to the views of the parents when they consult on federation process?

Governors and LA's are required by law to seek the views of stakeholders on the proposals to federate. The stakeholders are parents, staff, trade unions, pupils and other partners such as diocesan authorities. Views can be sought in a number of different ways that might include written responses, questionnaires, information surgeries and formal meetings. Once all the views are submitted, the governing body must consider the points raised and make their decision based on the majority of votes taken at a governing body meeting. Where a LA is establishing the federation, it will consider the responses received and make a decision.

Q6. Do the teachers and children move from school to school?

It would be most likely be the school staff who move between schools whilst the children would, for most part of the day, stay in their registered school. However, there may be opportunities for the children from different schools to work together on projects and through special events that could include use of technology, facilities (such as sports equipment and science laboratories) and video conferencing.

Q7. Our school already collaborates with other nearby schools so why must it federate.

The main advantage of federation over collaboration is that the quality of the collaboration arrangements is more sustainable in the longer term, even if there

are significant changes at one of the schools. Each schools commitment is formalised and this collective decision making of the single governing body protects the provision of quality of education for the children, and ensures resources are properly prioritised where needed and prevents individual schools from reallocating their resources for other priorities as and when it suits them.

Q8. Is federation about financial savings?

No. It is about schools pooling resources to improve performance, raise standards of attainment and achieving more for the children whether that is providing access to opportunities and facilities children would not normally be able to access or jointly funding, for example a drama teacher or support teachers, this is particularly relevant for pupils at Llandogo School.

Q9. Does federation mean that our school will receive less money from the LA?

No. The way in which an individual schools budget is calculated is not affected by federation - each school in the federation should continue to receive its own budget based on the number of registered pupils at the school plus any other factors. However, schools will be able to pool or share their budgets if the Governing Body so wished. For example, if the schools wished to employ a drama teacher or to purchase or upgrade sports equipment they would each contribute a share of the costs from their budget.

The governing body of a federation should be in a position to take strategic decisions on the deployment of their resources including budgets, staff and facilities. Each school will need to keep a clear audit trail and accounts for their budget spend.

Q10. What are the financial benefits of federation?

Federations can increase capacity within the schools in the federation to achieve higher standards. Some of the benefits include:

- More cost effective way of increasing the opportunity for specialist teaching (if required), curriculum entitlement and extended after school curricular activities and out of hours clubs
- Sharing the costs of purchasing goods and facilities etc.
- Purchasing to achieve economies of scale and avoiding duplication
- Saving on curriculum and strategic planning and administrative time
- Being able to pool funding to award higher salaries and recruit staff that are more experienced.

Appendix 5 Response Pro forma proposal to Federate the Governing Bodies of Kymin View Primary School and Llandogo Primary School

Your views

We would like your views on the above proposal. Please complete this pro-forma and return it to the address at the bottom, alternatively it can be handed in at the consultation event.

Sharon Randall-Smith, Monmouthshire County Council, Monmouthshire County Council, County Hall, The Rhadyr, Usk NP15 1GA or email strategicreview@monmouthshire.gov.uk

Please tick the box if you wish to be notified of the publication of the decision report

Appendix 6 - List of Consultees

The following have been provided with a copy of the Consultation report

- All staff employed at Kymin View and Llandogo Primary Schools
- Pupils attending Kymin View and Llandogo Primary Schools
- Governing Bodies of Kymin View and Llandogo Primary Schools
- Parents of pupils attending Kymin View and Llandogo Primary School
- Trade Unions for teaching and support staff
- County Councillors for Central Monmouthshire and Lower Wye areas
- Headteachers Monmouth Cluster
- Chair of Monmouthshire Association School Governors
- Welsh Government



<p>Name of the Officer completing the evaluation Sharon Randall-Smith</p> <p>Phone no: 01633 644201 E-mail: sharonrandall-smith@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>To agree to federate the Governing Bodies of and Kymin View and Llandogo Primary Schools</p>
<p>Name of Service area CYP</p>	<p>Date 15th February 2020</p>

1. **Are your proposals going to affect any people or groups of people with protected characteristics?** Please explain the impact, the evidence you have used and any action you are taking below.

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Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The proposal will benefit pupils by bringing them together to participate in activities within a narrow chronological age group		
Disability	N/A		
Gender reassignment	N/A		
Marriage or civil partnership	N/A		

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Pregnancy or maternity	N.A		
Race	N/A		
Religion or Belief	N/A		
Sex	N/A		
Sexual Orientation	N/A		
Welsh Language	N/A		
Poverty	Offer children and young people access to a wider range of resources, equipment, learning experiences and facilities		

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2. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal. There's no need to put something in every box if it is not relevant!




Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>The proposal will enable both Governing Bodies to share the workload and resources, develop common policies and schemes of work to promote consistency and continuity in teaching and learning. The proposal will avoid duplication of effort and maximise staff expertise across the schools within the federation. The proposal will provide greater opportunities for staff PL and give a clear focus on strategic leadership and management.</p>	
<p>A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)</p>	<p>n/a</p>	
<p>A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Staff will have new opportunities to work together and reduce isolation. The duplication of effort can be avoided and help with better work life balance of staff. It can enable staff to share workloads whilst allowing schools to continue to provide a wide curriculum that offers real choices and options for pupils</p> <p>The federation will also be better equipped to respond to pupils wider needs. Pupils have greater access to more structured and sustained social and educational opportunities, team sports, wider curriculum expertise, and a wider choice of extra-curricular activities.</p>	
<p>A Wales of cohesive communities</p>	<p>Federation can help small rural schools to remain sustainable within their communities. A shared</p>	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
Communities are attractive, viable, safe and well connected	governing body is an effective and accountable mechanism for schools to pool resources and staff, gain economies of scale and secure efficiencies that enable them to remain viable	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	Combined strategic and financial planning should mean that there is better protection of jobs in any combined period of contraction. Specialist staff can be used to best effect; recognising that all support and teaching staff have specialist skills and knowledge	
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation	The federation will also be more able to respond to pupils' wider needs. It can enable pupils to access specialist teaching, more structured and sustained social and educational opportunities, team sports, wider curriculum expertise and a wider choice of extra-curricular activities	
A more equal Wales People can fulfil their potential no matter what their background or circumstances	<p>The proposal will offer pupils of all ages and abilities increased opportunities to meet and work as part of a larger group, which can be particularly beneficial to older, more able pupils. Pupils can access more structured and social educational opportunities, team sports, wider curriculum expertise and a wider choice of after curricular and out of school activities.</p> <p>The proposal can offer career opportunities for staff not normally available to them, aid the recruitment of new highly qualified teachers to the schools, and attract high calibre candidates to senior leadership posts.</p>	

Well Being Goal	Does the proposal contribute to this goal? Describe the positive and negative impacts.	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
	The proposal will support pupil wellbeing by providing more opportunities to participate in wider range of school-based activities with peers. Increased opportunities for staff to work together and share workloads will support a better work life balance for staff.	

3. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Long Term</p> <p>Balancing short term need with long term and planning for the future</p>	Yes. Federation can help small rural schools to remain sustainable within their communities. A shared governing body provides an effective and accountable mechanism for schools to reduce workload, pool resources, gain economies of scale and secure efficiencies that enable them to remain viable	
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	Yes. The pooling of resources will support effective school improvement performance and develop high quality provision. Children would have greater access to learning experiences and better facilities to support pupil progress and wellbeing.	

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Yes, Consultation has taken place with Kymin View Primary School and Llandogo Primary School. Parent / Carers staff, Trade Unions and other interested parties have been consulted on the proposal in line with that set out in the Regulations.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>Yes. Federation enables a single governing body to raise standards and maintain local education provision by sharing resources, staff expertise, facilities, and best practice. Both schools can pool resources to gain economies of scale.</p>	
 <p>Integration</p> <p>Considering impact on all wellbeing goals together and on other bodies</p>	<p>.The above analysis shows how federation will have a positive impact on the majority of the National wellbeing goals</p>	

4. Council has agreed the need to consider the impact its decisions has on the following important responsibilities: Social Justice, Corporate Parenting, and Safeguarding. Are your proposals going to affect any of these responsibilities?

	Describe any positive impacts your proposal has	Describe any negative impacts your proposal has	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?

Social Justice	The proposal will offer pupils of all ages to and abilities to meet and work as part of a larger group, which can be beneficial to older, more able pupils. Pupils can access more structured and social education, wider learning experiences, participation in team sports, and a wider choice of after curricular and out of school activities		
Safeguarding	We would expect high standards of safeguarding practice would not be affected by the proposal.		
Corporate Parenting	We would expect that the standards and expectations of the schools will not be affected by the proposal		

5. What evidence and data has informed the development of your proposal?

Kymin View is a self-improving school that has secured a strong position in the wider schooling system in Monmouthshire. Llandogo is an improving school and has made suitable progress over the past two years. Both schools are stable. Kymin View Primary school has a surplus budget. Llandogo Primary School is in a deficit budget position and has a recovery plan in place to return to a surplus budget by 2023/24. Numbers on roll are projected to fall in both schools over the next four years.

The schools are currently successfully being run as a 'soft' federation with an Executive Headteacher and this has is a significant factor in the decision to proceed with the formal federation.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The Federation will provide strategic leadership and management structures that are more sustainable in the longer term. It will provide staff with the ability to learn from each other within a coherent approach to deliver professional learning communities and focus on school improvement linking national priorities with school improvement planning. The proposal will offer pupils of all ages to and abilities to meet and work as part of a larger group, which can be beneficial to older, more able pupils. Pupils can access more structured and social education, team sports, wider curriculum expertise and a wider choice of after curricular and out of school activities. The evaluation and effectiveness of the Federation will be through sustained and improved standards.

The evaluation and effectiveness of the Federation will be through continuous school improvement and the sustainability of the two schools. It is not proposed to evaluate the impact of the Federation annually. However, the Federation will be part of our usual arrangements for monitoring the effectiveness of our schools...

7. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible

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7. VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision making process. It is important to keep a record of this process to demonstrate how you have considered and built in equality and future generations considerations wherever possible.

Version No.	Decision making stage	Date considered	Brief description of any amendments made following consideration

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SUBJECT: 2021/22 EDUCATION AND WELSH CHURCH TRUST FUNDS INVESTMENT AND FUND STRATEGIES

MEETING: Cabinet

DATE: 3rd March 2021

DIVISION/WARDS AFFECTED: All Authority

1. PURPOSE:

- 1.1 The purpose of this report is to present to Cabinet for approval the 2021/22 Investment and Fund strategy for Trust Funds for which the Authority acts as sole or custodian trustee for adoption and to approve the 2021/22 grant allocation to Local Authority beneficiaries of the Welsh Church Fund.

RECOMMENDATIONS:

- 2.1 That the proposed Investment and Fund Strategy for 2021/22 for the Monmouthshire Farm School Endowment Trust Fund be approved.
- 2.2 That the proposed Investment and Fund Strategy for 2021/22 for the Welsh Church Fund be approved.
- 2.3 To delegate responsibility for the execution and administration of treasury management decisions to the Chief Officer for Resources (S151 officer) who will act in accordance with the Investment and Funds Strategy (appendix 2).
- 2.4 To approve the 2021/22 grant allocation to Local Authority beneficiaries to the Monmouthshire Welsh Church Act Fund of £210,000 to be distributed in accordance with population data in the draft Local Government Settlement 2021/22.
- 2.5 That the Monmouthshire Farm School Trust Board determines the 2021-22 grant allocation at its January 2021 meeting based on the previous years' investment return at the end of March 2020, and any under spends carried forward from the 2020-21 grant allocation, and to avoid eroding the overall fund.
- 2.6 To endorse the Welsh Church Fund Principles, Policy Considerations and Grant Allocation Criteria for 2021-22 (Appendix 6) as considered and approved by the Welsh Church Fund Committee on the 14th January 2021.

3. KEY ISSUES:

- 3.1 The Authority acts as the sole trustee for the Welsh Church Fund and the custodian with responsibility for financial arrangements for the Monmouthshire Farm School Endowment Trust Fund and is required annually to approve Investment and Fund Strategies for them. In addition, for the Welsh Church Fund the Authority is required to determine the grant allocation for the forthcoming year.
- 3.2 The contract for the position of Treasury Advisor to Monmouthshire County Council, the Welsh Church Act Fund and the Monmouthshire Farm School Endowment Trust was awarded to Arlingclose Ltd in March 2016 for 4 years with the option to extend for a further two years, this option was subsequently taken up. All three bodies will therefore continue to receive ongoing advice and support on investments until at least the 31st March 2022 from Arlingclose.

Investment and Fund Strategy

- 3.3 In acting in its capacity as either sole trustee or custodian, the Authority is required to have Investment policies in place for the Monmouthshire Farms Endowment Trust Fund and the Welsh Church Fund in order to comply with the [Trustee Act 2000](#). The policies ensure that monies are invested in the best interests of the Trusts.

The Annual Investment and Fund strategies for the Monmouthshire Welsh Church Act Fund and Monmouthshire Farm School Endowment Trust Fund set priorities are, in the order shown, to;

- a) Maintain security of the invested capital;
- b) Maintain sufficient liquidity to allow grants to be distributed;
- c) Maintain an optimum yield which is commensurate with security and liquidity.

- 3.4 The Trust holds real assets within pooled funds (Collective Investment Funds) such as to maximise the average annual income stream to the Trust over a 3 to 5 year' business cycle without a sustained loss of capital funds. This policy was adopted as the Investment Strategy for the WCF in 2013/14. Arlingclose as treasury advisors to the Welsh Church Fund have supported the Welsh Church fund in making these types of investments, and these investments were taken out between May 2013 and January 2014. The latest fund review was undertaken by Arlingclose in 2020 and these investments remain a risk balanced investment portfolio in line with the investment priorities.

- 3.5 The current view from investment market projections continues to be that UK base rates will remain relatively low with a small downward perspective in regard to the economy struggling to grow. The basis for the change in investment strategy in point 3.4 was still relevant for 2020/21 and will be monitored with the help of the Authority's treasury advisor on an ongoing basis to ensure returns are optimised in 2021/22.

- 3.6 Pooled investment funds are suited to bodies such as the Welsh Church Fund and the Mon Farm School Trust Fund which are looking for a steady and/or higher average income streams and who are able to leave the principal in place for a business cycle as they do not need to access the principal over the medium term. This enables the Trust to benefit from above average good years despite lower returns in infrequent poorer years.
- 3.7 There is a risk relating to the use of these funds in that the principal amount can go down as well as up in value. Again this is suited to the Welsh Church Fund as the Trust can tolerate these movements over a longer business cycle. The movements are expected to be at least neutral over a business cycle and the earning power of these investments is not largely affected by the market value.
- 3.8 For the financial year 2019-20, the WCF has received income of £203,436 from its external investment funds and through rental income. Therefore, it is recommended that we maintain the distribution level at £210,000 to ensure that the funds raised for charitable purposes in 2019-20 are distributed fully and thereby assisting future grant recipients in need of financial support without a significant depletion in capital assets.
- 3.9 In the financial year 2019/20, the income received from the pooled funds was off-set by a paper net capital loss of £385,106 (£41,399 gain in 2018/19) as a result of depressed markets due to the Covid-19 pandemic at the 31st March 2020 valuation date. As indicated in point 3.6, a movement in capital value is expected with these types of investments in normal years as well as exceptional year's such as at the height of a pandemic and these movements are not expected to impact the fund in the longer term. For this reason, Arlingclose strongly recommend continuing to spread the investments over a number of assets classes, equity, property and bonds to reduce any substantial risk of losses.
- 3.10 A revised Investment and Fund strategy for the Welsh Church Act Fund is contained in Appendix 2.

The strategies state that the balance of cash not invested directly by the Trust Funds can be managed on a pooled basis by Monmouthshire County Council to maximise investment returns and to minimise exposure to investment losses. This cash balance is required primarily to ensure sufficient cash is available to distribute grants during the financial year and reimburse other authorities within Greater Gwent at the financial year-end.

- 3.11 Following recommendations from Treasury Advisors Arlingclose, The Monmouthshire Farm School Endowment Trust adopted a similar risk and investment strategy to that of the Welsh Church Fund. This Risk and Investment strategy was presented to and approved by the Board of The Monmouthshire Farm School Endowment Trust in January 2021.

- 3.12 In the financial year 2019-20, which is the most recent completed year end accounts, the Mon Farms Trust received income of £26,508 from its direct investments in funds and no income from the Roger Edwards Educational Trust Fund. These total investment returns were less than the grants and fees allocated from the Trust and so this could have potentially decreased the funds available for distribution in 2021/22. The trustees have agreed however to maintain the grants available at £30,000 in 2021/22, due to underspends from previous years being available for distribution.
- 3.13 In the 2019-20 financial year, the income received from the pooled funds invested in by the Trustees directly was augmented by a paper net capital loss of £28,191. As indicated in point 3.6, a movement in capital value is expected with these types of investments and not expected to impact the fund in the long term. For this reason, Arlingclose strongly recommend continuing to spread the investments over a number of assets classes, equity, property and bonds to reduce the risk of losses. It should be noted however that as the Monmouthshire Farm School Endowment Trust receives income from the Roger Edwards Trust and that this income is achieved by investing in Equity and Property based products, in order to diversify, the additional products selected for direct investment were weighted towards bond based products. The bond based products have made a loss over the last 12 months. This situation is being actively discussed with Arlingclose to optimize performance over the medium term although diversification is still seen as the best policy.
- 3.14 Appendix 1 outlines the Annual Investment and Fund Strategy 2021/22.

Grant Allocation of the Welsh Church Fund

- 3.15 The Monmouthshire Welsh Church Fund was established on 1st April 1996 from the former Gwent Fund and part of the former Mid Glamorgan Fund. The Fund covers the administrative areas of Blaenau Gwent, Caerphilly, Newport, Torfaen and Monmouthshire, with Monmouthshire being designated as the lead Authority.
- 3.16 Since 1996 trustees have sought to obtain a satisfactory rate of return from the fund's investments thereby enabling grants to beneficiaries after meeting expenses, whilst maintaining the capital value of the fund in real terms.
- 3.17 The fund balance held by the trust was £4,966,139 at 31st March 2020 (£5,374,556 at 31st March 2019). It is recommended that the grant allocation be maintained at £210,000 in 2021/22 (£210,000 in 2020/21) as restricting grant allocations at this challenging time will result in less benefit to recipients within the community. The forecast for 2020/21 income is estimated to be around £185,000, which is less than the £203,436 received in 2019-20 and is deemed sufficient to maintain the budget level for 2021-22 without a long-term detrimental effect on capital balances.

3.18 . This will result in the following distribution being recommended:

AUTHORITY	POPULATION (000)**	PERCENTAGE SPLIT	BUDGET*
Blaenau Gwent CBC	56.3	12.0	25,200
Caerphilly CBC	143.1	30.4	63,840
Monmouthshire CC	77.2	16.4	34,440
Newport CBC	119.3	25.4	53,340
Torfaen CBC	74.5	15.8	33,180
TOTAL	470.4	100.0	£210,000

*The above figures do not include any brought forward unspent grant allocations

**Source: 2021/22 Draft Local Government Settlement.

Risk Assessment of the Welsh Church Fund

3.19 Page 179 The financial assistance provided by the Welsh Church Fund supports a very wide range of community activities, including voluntary and sporting organisations. Annually, monies are distributed and the key risk faced by the Welsh Church Fund is loss or reduction in the amount of monies available.

3.20 The risk assessment is undertaken to ensure that risks faced by the Trust are identified and mitigated through appropriate and robust controls put in place by the Authority in its position as sole and corporate Trustee. The existing risk assessment policy has been reviewed and is considered to be adequate and sufficiently robust to continue during the 2021/22 financial year. The risk assessment is attached for information at appendix 5.

Risk Assessment of the Monmouthshire Farm School Endowment Trust

3.21 The financial assistance provided by the Monmouthshire Farm Endowment Trust supports a very wide range of students, studying at agricultural based colleges in the UK. Applicants must live in the former Gwent area (excluding Newport) and preference is given to those under 25 years old. Annually, monies are distributed and the key risk faced by the Monmouthshire Farm Endowment Trust is loss or reduction in the amount of monies available for distribution.

3.22 A risk assessment is undertaken to ensure that risks faced by the Trust are identified and mitigated through appropriate and robust controls put in place by the Authority, in its position as the Trustee with responsibility for financial arrangements. The risk assessment policy is attached for information at Appendix 4.

4. OPTIONS APPRAISAL

Options available are restricted by the nature of the governing documents of the Welsh Church Act Fund and Monmouthshire Farm School Endowment Trust

5. EVALUATION CRITERIA

- 5.1 There are no adverse Future Generation implications arising directly from this report. The Future Generations Evaluations form is attached under appendix 5.
- 5.2 There are no sustainability implications arising directly from this report.
- 5.3 The approval of the Investment and Fund Strategies do not require any specific decisions to be made which could have an adverse impact on any group or individual within the Council. The approval of the Welsh Church Fund budget for 2021-22 is seen to have a neutral impact on the sustainability of the fund going forward.

REASONS:

- To produce an annual Investment and Fund Strategy in order that the Authority fulfils its responsibilities as corporate and sole trustee in order to comply with the Trustee Act 2000.
- 6.2 To approve the 2021/22 grant allocation for the Welsh Church Fund, enabling constituent Local Authorities to make qualifying grant allocations under the Welsh Church Fund Trust Scheme.

7. RESOURCE IMPLICATIONS:

- 7.1 The grant allocation to beneficiaries of the Welsh Church Fund is set in the context of the fund balance being maintained over the long term. It is funded through net income generated through investment returns.
- 7.2 The appointment of a dedicated treasury advisor to the Welsh Church Fund will be an ongoing annual charge against the Fund. However, in light of the revised treasury strategy which attracts more treasury risk it is deemed prudent and it is anticipated will be more than outweighed by increased investment returns. The fee negotiated is considered to be competitive and further efficiencies are generated from the Authority dealing with one advisor for its treasury advice.

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

There are no Future Generations, equality, safeguarding, corporate parenting or sustainable development implications directly arising from this report. The assessment is contained in the attached appendix.

9. CONSULTEES:

Strategic Leadership Team
Cabinet Members
Head of Legal Services

Results of Consultation

No adverse comments received

10. BACKGROUND PAPERS:

Appendix 1 – Monmouthshire Farm School Endowment Trust – Annual Investment and Fund Strategy 2021/22
Appendix 2 – Monmouthshire Welsh Church Fund – Investment and Fund Strategy 2021/22
Appendix 3 – Monmouthshire Farm School Endowment Trust – Risk Assessment Policy 2021/22
Appendix 4 – Monmouthshire Welsh Church Fund – Risk Assessment Policy 2021/22
Appendix 5 – Future Generations Evaluation Form
Appendix 6 -- Welsh Church Fund Principles, Policy Considerations and Grant Allocation Criteria for 2021/22

11. AUTHORS:

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Nicola Wellington – Children & Young People Finance Manager

12. CONTACT DETAILS:

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The Investment & Fund Strategy for the Monmouthshire Farm Endowment Trust 2021/22 Appendix 1

1. Background

- 1.1 The Trustees shall each year consider for approval an annual Investment Strategy. The Trustees may also request submission of a longer term investment strategy for approval. Any proposed in-year modification to the Investment Strategy must be approved by the Trustees.
- 1.2 This investment strategy has been prepared with the assistance of Arlingclose, the current treasury advisor to both the Monmouthshire Farm Endowment Trust and also Monmouthshire County Council.
- 1.3 The Trustees have agreed to a continued relationship with a Treasury advisor to provide expert advice on the continued suitability of a variety of investment vehicles for inclusion in its portfolio. This will carry a small charge.

2. Interest Rate Forecast

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Arlingclose's forecast is for the UK Bank Rate to remain flat at .01% into late 2021 / early 2022. Risks remain slightly weighted to the downside.

With short term interest rates still low, an investment strategy historically would have typically resulted in a lengthening of investment periods, where cash flow permits, in order to lock in higher rates of acceptable risk adjusted returns. The problem in the current environment is finding an investment counterparty providing acceptable levels of counterparty risk for investments of that duration and also an acceptable return.

- 2.3 The Monmouthshire Farm Endowment Trust, by means of this Investment strategy is permitted to utilise suitable Collective Investment Schemes/Pooled Funds, which enable the Authority to diversify the assets and thereby reduce the underlying risk in the investment portfolio and at the same time providing the potential for enhanced returns.

3. Annual Investment and Fund Strategy

- 3.1 The Trustees shall invest Monmouthshire Farm Endowment Trust monies in accordance with Section 15 of the Scheme made by the County Council of Monmouthshire.
- 3.2 Day to day activities required to implement this shall be delegated to the S151 Officer and the Treasury team of Monmouthshire County Council. This can include a change to investment vehicle providing it still lies within the scope of this Investment strategy and is approved by the current Treasury Management advisors.
- 3.3 In accordance with best practice, the Monmouthshire Farm Endowment Trust must consider the three objectives of security, liquidity and yield in relation to the investment of its funds when making any investment. Maintaining a high level of security of investment ensures the long term income generating capacity of the fund. The liquidity or accessibility of a portion of the investments ensures in the short term expenses of the fund can be met.
- 3.4 The Overall Fund Strategy of the Monmouthshire Farm Endowment Trust Fund is to generate investment returns which after meeting the expenses of managing the Fund, can be distributed to selected beneficiaries. The investment strategy is therefore to maximise returns commensurate with appropriate levels of security and liquidity. Investments in Collective Investment Funds are likely to result in fluctuations in principal. It is acceptable to allow this, if having taken appropriate advice; they are expected to be temporary in nature, in order to improve total returns over a 3 to 5 year' business cycle.
- At 31st March 2020, the Monmouthshire Farm Endowment Trust had £614,968 of pooled investments and £16,615 of cash.
- 3.5 Financial investments can be taken by the Fund without specific reference to the Treasury Advisors at the time providing they are sterling denominated investments with a maximum maturity of one year and meet the "high credit quality" criteria determined by the Trustees and set out in paragraph 3.9 and are not deemed capital expenditure investments under Statute.
- 3.7 Investments which do not meet the strict definition (detailed below) of high credit quality and which have a longer-term Investment horizon, can be taken, but only after consulting with the Monmouthshire Farm Endowment Trust Fund treasury advisors and the Head of Finance (S151 Officer) at Monmouthshire County Council. These persons represent the Trustee's, to ensure the level of risk is in line with the Monmouthshire Farm Endowment Trust Fund, other current investment options.
- 3.8 The types of investment vehicles that can be utilised by the Monmouthshire Farm Endowment Trust are as follows:

Table 2: Investments

Investment	
Term deposits or Cash Deposits with banks and building societies	✓
Gilts, Treasury-bills or the UK Debt Management Office	✓
Collective Investment Schemes	✓
Pooled funds with Monmouthshire County Council	✓

3.9 The Trustees and its advisors select countries and financial institutions after analysis and ongoing monitoring of:

- Published credit ratings for financial institutions (counterparties):
 - Investments are classed as having high credit quality if the lowest credit rating they have with Fitch, Moody's and Standard & Poors' is A-, A3 and A- or higher.
 - And a country rating of AA+ or equivalent for non-UK sovereigns
- Credit Default Swaps (where quoted)
- Sovereign Support mechanisms
- Economic fundamentals (for example Net Debt as a percentage of GDP) and Economic trends
- Sovereign support mechanisms
- Share Prices
- Corporate developments, news, articles, markets sentiment and momentum
- Historical performance and expected future trends of Collective Investment Funds
- Subjective overlay – or, put more simply, common sense.

Any institution can be suspended or removed should any of the factors identified above give rise to concern. The Monmouthshire Farm Endowment Trust fund will not enter into any investment if it is outside the advice given by its Treasury advisors, which is updated monthly, weekly and daily according to the movements in the worldwide backdrop. This includes guidance on the maximum maturity of investments with approved counterparties.

3.10 New Investments made directly by the Monmouthshire Farm Endowment Trust Fund will be restricted in the following ways to ensure diversification and hence reduction of both credit risk and interest rate risk.

- A minimum of £40,000 (at the time of investment) needs to be held in investments which are sufficiently liquid such as cash or other investments less than one year so that grants can still be made if investment returns are low or to allow for the lead time for realising certain investments. The full remaining balance can be invested in Collective Investment funds to maximise returns if this is in line with the requirements of this strategy.
- The maximum monetary amount, which can be invested directly by the Monmouthshire Farms Endowment Trust Fund [MFETF] in any one Collective Investment Fund (at the time of the Investment), is 45% of the total MFETF investment balance.

The amounts invested are spread across different investment asset classes such as Property, Bonds and Equity to diversify and reduce overall risk. This spread should be viewed collectively with the funds invested by the Roger Edwards Educational Trust [REET] and from which the MFETF benefits (£650,000 purchase price). As the REET Investments are weighted towards Equity, it is not possible to achieve an equal split across asset classes but a level of between 20% and 45% for at least three of the asset classes should be aimed for. Appendix A includes the model portfolio, which was used as a basis for the investments that have been undertaken.

- Up to 100% of the total investment balance can be held with Monmouthshire County Council or Instruments issued by the UK Government, if required
- Up to 100% of the total investment balance can be invested as term deposits, CDs or call accounts with banks and building societies. The maximum amount that can be invested with any one financial institution is £100,000, if of high credit quality (approx. 15% of the total MFETF investment balance) or £50,000 if approved by the Treasury advisors although not considered high credit quality.
- The maximum duration of term deposits and CDs with banks and building societies shall be in line with the ongoing advice given by the Trust's treasury advisors, which varies with world economic factors.

3.11 At the end of each financial year, the Trustees shall consider the actual return on investments & the extent to which the investment objectives have been achieved.

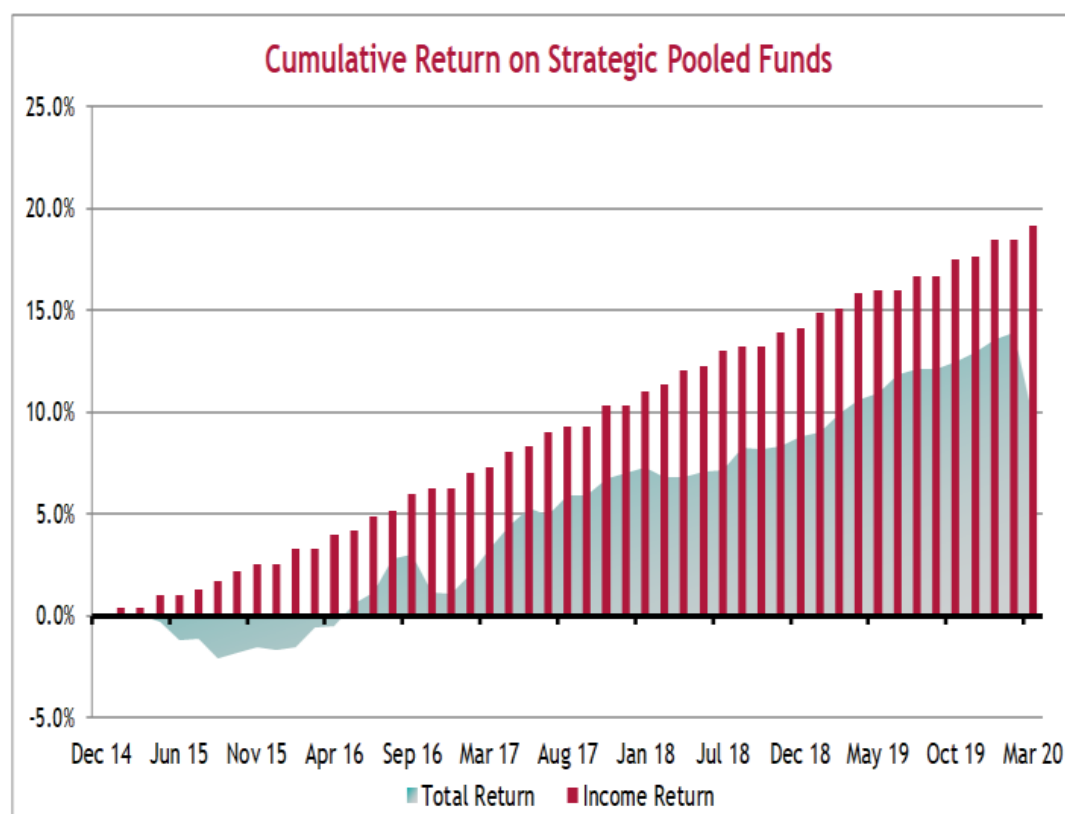
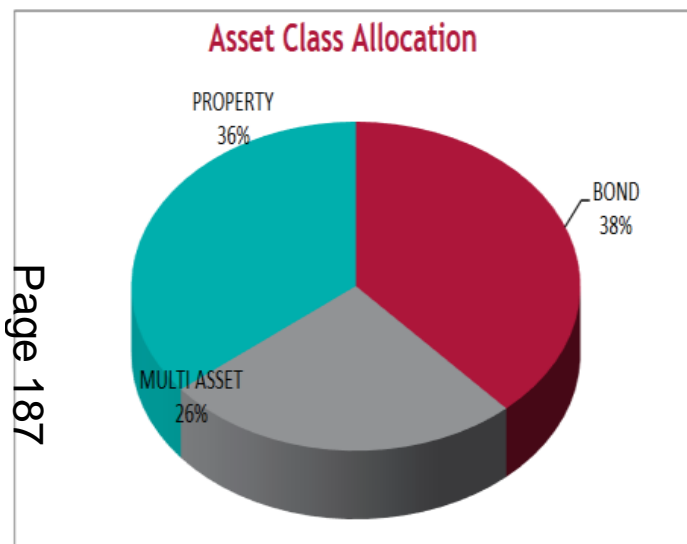
3.12 The Trustees shall observe the following constraints in pursuing the investment objectives:

- The restrictions on investments contained within Section 15 of the scheme made by Monmouthshire County Council.
- A proportion of the funds held may be pooled with Monmouthshire County Council's overall investment portfolio, which is invested in line with the Authority's Treasury Management Strategy. Interest earned by the Authority and any investment losses incurred by the Authority will be apportioned proportionally between the Local Authority and Monmouthshire Farm Endowment Trust in line with the total investments held by each party.

NB: Any investments that move outside of the above criteria with time will be reinvested within the above criteria on maturity.

- 3.13 There are currently no ethical constraints on investment of funds and this matter will be reviewed if there are any changes in charity law or other requirements.
- 3.14 There is now more than 48 months' history to Monmouthshire Farms Trust's pooled fund holding. In capital terms, it should be remembered that the emphasis of the investment in the selected funds is based on a long-term strategy of a five-year rolling basis
- 3.15 The values and performance of the investments reported in the latest available Arlingclose report are as follows;

FUND NAME	ASSET CLASS	No of Units Held in Period	Current Value £	Capital Growth £	Dividends Earned £	Holding Period (yrs)	Capital Return	Income Return	Total Return	Volatility	Capital Return annualised	Income Return annualised
CCLA - COIF PROPERTY FUND	PROPERTY	193,705	220,107	-8,893	55,392	4.3	-3.88%	24.19%	20.31%	2.9%	-0.92%	5.21%
M&G CHARIBOND FUND	BOND	190,470	235,745	-14,255	36,424	4.7	-5.70%	14.57%	8.87%	3.6%	-1.24%	2.94%
UBS MULTI ASSET INCOME FUND	MULTI ASSET	377,858	159,116	-40,884	38,261	5.2	-20.44%	19.13%	-1.31%	6.5%	-4.32%	3.44%
GRAND TOTAL			614,968	-64,032	130,076	4.7	-9.43%	19.16%	9.73%	2.5%	-2.14%	3.80%



Please note the data above reflects the performance of the funds since inception as the funds were purchased on 29th January 2015.

4. Training

- 4.1 The Head of Finance (S151 Officer) will ensure all staff are suitable trained to assist with this process and will organise awareness training to Trustees, Cabinet and Audit Committee where appropriate.

5. Investment Consultants/ Treasury Advisors

- 5.1 The Monmouthshire Farm Endowment Trustees use Arlingclose as their Treasury Management Consultants to provide information, advice and training relating to investments. Information relating to the investments is provided from publicly available data and is summarised in order to assist with decision making within the Authority. The information and advice covers the level of risk of investment and the variety of options available.

The Investment & Fund Strategy for the Welsh Church Act Fund 2021/22

1. Background

- 1.2 The Cabinet shall each year consider for approval an annual Investment Strategy. The Cabinet may also request submission of a longer-term investment strategy for approval. The Cabinet before implementation must approve any proposed in-year modification to the Investment Strategy.
- 1.2 The Welsh Church Fund Funds strategy shall be considered in conjunction with any review of the Investment Strategy.
- 1.3 Local Authorities are required by the Welsh Government's Investment Guidance to produce an Annual Investment Strategy. The Trustees of the Welsh Church Fund have elected to use this Guidance where practicable and relevant. The guidance emphasises an appropriate approach to risk management, particularly in relation to the security and liquidity of invested funds.
- 1.4 This investment strategy has been prepared with the assistance of Arlingclose, the current treasury advisor to both the Welsh Church Fund and also Monmouthshire County Council (the sole Trustee of the Welsh Church Fund).

Interest Rate Forecast

- Arlingclose's forecast is for the UK Bank Rate to remain flat at .01% into 2021/22. Risks remain slightly weighted to the downside.
- 2.2 The economic and interest rate forecast is provided by Monmouthshire County Council's current treasury management advisor. The Authority, in its position as trustee, will reappraise its strategies from time to time in response to evolving economic, political and financial events.
- 2.3 With short-term interest rates still low, an investment strategy historically would have typically resulted in a lengthening of investment periods, where cash flow permits, in order to lock in higher rates of acceptable risk adjusted returns. The problem in the current environment is finding an investment counterparty providing acceptable levels of counterparty risk for investments of that duration.
- 2.4 The Welsh Church Fund is permitted to utilise suitable Collective Investment Schemes/Pooled Funds, which enable the Authority to diversify the assets and underlying risk in the investment portfolio and at the same time providing the potential for enhanced returns.

3. Annual Investment and Fund Strategy

3.1 The Cabinet shall invest Welsh Church Fund monies in accordance with Section 15 of the Scheme made by the County Council of Monmouthshire under Section 19 of the Welsh Church Act 1914.

3.2 In accordance with best practice, the Welsh Church fund must consider the three objectives of security, liquidity and yield in relation to the investment of its funds when making any investment. Maintaining a high level of security of investment ensures the long-term income generating capacity of the fund. The liquidity or accessibility of a portion of the investments ensures in the short-term expenses of the fund can be met in full.

3.3 The Overall Fund Strategy of the Welsh Church Trust Fund is to generate investment returns which after meeting the expenses of managing the Fund, can be distributed to selected beneficiaries. The investment strategy is therefore to maximise returns commensurate with appropriate levels of security and liquidity. Investments in Collective Investment Funds are likely to result in fluctuations in principal. It is acceptable to allow this, if having taken appropriate advice; they are expected to be temporary in nature, in order to improve total returns over a 3 to 5 year' business cycle.

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At 31st March 2020, the Welsh Church Fund had £4.48m of Fixed Asset and Pooled Fund investments (market value) and £227,964 of cash.

Financial Investments which do not meet the strict definition below of high credit quality and which have a longer-term Investment horizon. Can be made but only after consulting with the Fund's treasury advisors and the Head of Resources (S151 Officer) at Monmouthshire County Council, who represents the Trustees, to ensure the level of risk is in line with the Welsh Church Fund's other current investment options.

3.6 The types of investments vehicles that are permitted to be utilised by the WCF are as follows:

Table 2: Investments

Investment	Specified
Call accounts, term deposits or Cash Deposits with banks and building societies	✓
Gilts, Treasury-bills or the UK Debt Management Office	✓
Collective Investment Schemes	✓
Pooled funds with Monmouthshire County Council	✓

3.7 Investments can be taken out by the Fund without specific reference to the Treasury Advisors at the time providing they are sterling denominated investments with a maximum maturity of one year and that they meet the “high credit quality” criteria determined by the Trustee and set out in paragraph 3.8 and are not deemed capital expenditure investments under Statute.

3.8 The Trustees and its advisors select countries and financial institutions after analysis and ongoing monitoring of,

- Published credit ratings for financial institutions (counterparties):
 - Investments are classed as having high credit quality if the lowest credit rating they have with Fitch, Moody’s and Standard & Poors’ is A-, A3 and A- or higher.
 - And a country rating of AA+ or equivalent for non-UK sovereigns
- Credit Default Swaps (where quoted)
- Sovereign Support mechanisms
- Economic fundamentals (for example Net Debt as a percentage of GDP) and economic trends
- Sovereign support mechanisms
- Share Prices
- Corporate developments, news, articles, markets sentiment and momentum
- Historical performance and expected future trends of Collective Investment Funds
- Subjective overlay – or, put more simply, common sense.

Any institution can be suspended or removed should any of the factors identified above give rise to concern. The Welsh Church fund will not enter into any investment if it is outside the advice given by its Treasury Advisors, which is updated monthly, weekly and daily according to the movements in the worldwide backdrop. This includes guidance on the maximum maturity of investments with approved counterparties.

3.9 New Investments made directly by the Welsh Church Fund will be restricted in the following ways to ensure diversification and hence reduction of both credit risk and interest rate risk.

- A minimum of £350,000 needs to be held in investments which are of sufficient liquidity, these include cash or other investments with less than one year before maturity so that grants can still be made if investment returns are low or to allow for the lead time for realising certain investments. The full monetary balance can be invested in Collective Investment funds to maximise returns if this is in line with the requirements of this strategy.

- The maximum investment amount, which can be invested in any one Collective Investment Fund (at the time of investment) is 20% of the total investment balance. The amount invested should be spread across different asset classes such as Property, Bonds and Equity.
- Up to 100% of the total investment balance can be held with Monmouthshire County Council.
- Up to 100% of the total investment balance can be invested as term deposits or call accounts with banks and building societies. The maximum amount that can be invested with any one financial institution counterparty is 10% of the total investment balance.
- The maximum duration of term deposits with banks and building societies shall be in line with the advice given by the Trust's Treasury Advisors, which varies with world economic factors.

3.11 At the end of each financial year, Audit Committee consider the actual return on investments & the extent to which the investment objectives have been achieved.

3.12 The Cabinet shall observe the following constraints in pursuing the investment objectives:

- The restrictions on investments contained within Section 15 of the scheme made by Monmouthshire County Council under section 19 of the Welsh Church Act 1914.
- A proportion of the funds held may be pooled with Monmouthshire County Council's overall investment portfolio, which is invested in line with the Authority's Treasury Management Strategy. Interest earned by the Authority and any investment losses incurred by the Authority will be apportioned proportionally between the Local Authority and Monmouthshire Welsh Church Act Fund in line with the total investments held by each party.

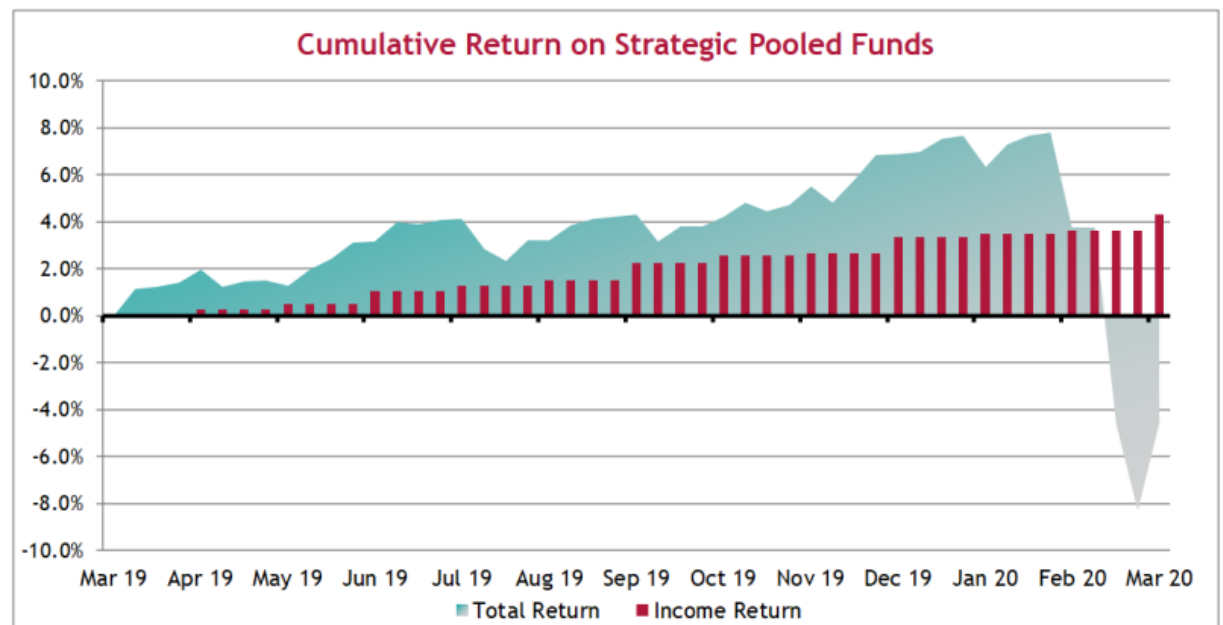
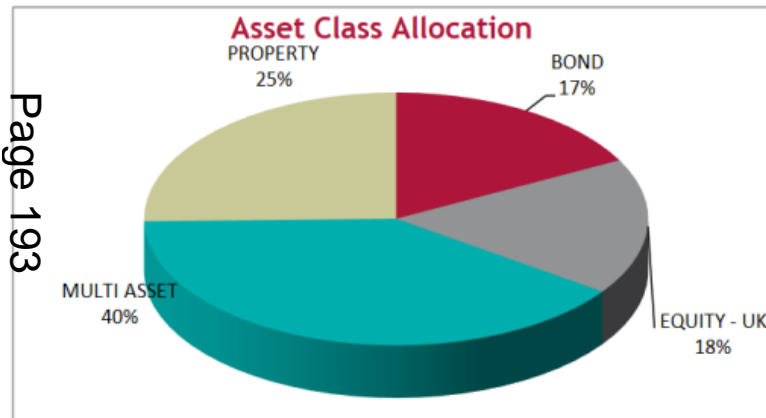
NB: Any investments that move outside of the above criteria with time will be reinvested with the above criteria on maturity.

3.13 There are currently no ethical constraints on investment funds, this policy could be amended if there were changes to charity law or other requirements.

3.14 Performances of the externally managed pooled funds of the Welsh Church Fund for the 12 months to March 2020 are set out below. These investment funds are to be reviewed in 2021/22 to ensure that they are fulfilling the criteria of income generation and capital sustainability.

3.15 The dividend income earned from this portfolio, shown by the maroon bars, was £188,239 for the 12 months until March 2020.

STRATEGIC POOLED FUND PORTFOLIO			MONMOUTHSHIRE WELSH CHURCH FUND				From:	31/03/2019	To:	31/03/2020
FUND NAME	ASSET CLASS	No of Units Held in Period	Current Value £	Capital Growth £	Dividends Earned £	Holding Period (yrs)	Capital Return	Income Return	Total Return	Volatility
CCLA - COIF INVESTMENT FUND	MULTI ASSET	67,524	1,000,912	-15,780	34,660	1.0	-1.55%	3.41%	1.86%	15.5%
CCLA - COIF PROPERTY FUND	PROPERTY	889,400	1,010,626	-26,415	56,922	1.0	-2.55%	5.49%	2.94%	1.1%
M&G CHARIBOND FUND	BOND	558,982	691,852	2,460	11,739	1.0	0.36%	1.70%	2.06%	1.5%
M&G CHARIFUND	EQUITY - UK	34,796	415,975	-119,534	29,055	1.0	-22.32%	5.43%	-16.90%	27.3%
SCHRODER INCOME MAXIMISER FUND	EQUITY - UK	981,740	280,188	-142,058	32,138	1.0	-33.64%	7.61%	-26.03%	28.9%
UBS MULTI ASSET INCOME FUND	MULTI ASSET	1,407,494	592,696	-86,702	23,726	1.0	-12.76%	3.49%	-9.27%	15.6%
GRAND TOTAL			3,992,249	-388,030	188,239	1.0	-8.86%	4.30%	-4.56%	11.2%



4. The Welsh Church Fund's Bank Account

4.1 The Welsh Church Fund holds cash with Barclays Bank. At the current time, it meets the minimum credit criteria.

5. Training

5.1 The Authority, acting as Trustee to the Welsh Church Fund, will ensure that suitable awareness training is provided to members of the Audit Committee and Cabinet to enable them to discharge their scrutiny function together with such wider training as may be required from time to time.

6. Investment Consultants/ Treasury Advisors

6.1 The Welsh Church Fund use Arlingclose as their Treasury Management Consultants to provide information, advice and training relating to investments. Information relating to investments is provided from publicly available data and is summarised in order to assist with decision making within the Authority. The information and advice covers the level of risk of investment and the variety of options available.

Monmouthshire Farm Endowment Trust – Risk Assessment Policy 2021/22

The financial assistance provided by the Monmouthshire Farm Endowment Trust is to support the advancement of education in agriculture and related subjects at college. Annually, monies are distributed and the key risk faced by the Monmouthshire Farm Endowment Trust is loss or reduction in the amount of monies available.

An assessment of the risks faced by the Monmouthshire Farm Endowment Trust has been undertaken and steps taken to:

- avoid risks through alternative strategies
- limit and reduce risks by improving controls
- insure against specified risks

On an annual basis, the risk assessment will be reviewed and updated to include any new risks identified.

The risks identified have been encompassed within four categories:

- Page 195
- governance & management
 - operational risks
 - financial risks
 - compliance risk

Monmouthshire County Council as custodian and administrator of the Monmouthshire Farm Endowment Trust manage the fund on the Trustees behalf through the Cabinet and make all risk and investment decisions in a unified risk policy as advised by the Authority's investment and risk advisors.

The following paragraphs list the risks identified & the steps taken to mitigate or eliminate the risk.

1. Governance & Management

(a) The fund lacks direction?

The activities of the Fund are governed by the guidance in Section 4 of the Charity Act 2000.

The Cabinet has a clear purpose to maximise the return on its investments and this is contained within the investment policy.

(b) There are conflicts of interest?

Cabinet members are elected in accordance with the electoral cycle and are required to conduct themselves in-line with the Authority's Code of Conduct.

Members are required to declare any interests related to the activities of the Trust and may not vote on these decisions. These matters are recorded in the official minutes.

Members allowance and expense payments are not charged to the Monmouthshire Farm Endowment Fund.

(c) Funds are used inappropriately?

The purpose for which funds can be used is contained within the objectives of the trust.

(d) Key staff, leave the Council's employment?

The actions of Officers of the Council are determined by Delegated Powers.

A number of senior Council staff support and advise the Trustees on legal & financial matters.

(e) Inadequate information is provided to the Trustees?

Annually, the Trustees consider the level of reserves and anticipated investment income before determining the level of grants to be made available.

Variances between the anticipated & actual investment income will be reflected in the following year's grants.

2. Operational Risks

(a) Unsuitable staff support and advise Cabinet?

Monmouthshire County Council has a comprehensive recruitment process that is supported by a wide range of personnel policies.

The training & development needs of officers are identified through the Employee Review process.

A number of senior Council staff support and advise Cabinet on financial and legal matters.

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(b) Systems & procedures are not secure?

Systems & procedures are documented & document retention policies are in place. IT systems have data back-up arrangements & disaster recovery plans. Periodic audits identify internal control improvement requirements. Insurance provides a means to recover from specified losses.

(c) Stakeholders are not satisfied with the operation of the Fund?

The Scheme made by the Trustees provides for the advancement of education in agriculture and related subjects at college.

The Trustees consider annual reports on the financial performance of the Trust.

The Trustees consider annually the level of funding available for grants.

(d) The assets of the Fund are at risk?

In accordance with the investment policy, a number of constraints are placed upon the way in which monies are used.

A risk minimization strategy has been adopted which limits the investment of funds to individual institutions meeting specified criteria.

(e) Unsatisfactory returns on investment are achieved?

The reserves policy requires monies be invested in financial instruments which produce interest payments and there is no appreciation in the capital value of the investment.

The overall aim is to obtain a satisfactory rate of return enabling Trustees to distribute an amount based on the forecast return on investments during the current year, after meeting the expenses incurred in managing the fund.

Annually, the Trustees consider the actual return on investments and the extent to which the investment objectives have been achieved.

3. Financial Risks

(a) Budgetary control is inadequate?

Annually, the Trustees consider the level of reserves and anticipated investment income before determining the level of grants to be made.

Variance between the anticipated and actual investment income will be reflected in the following year's grants.

(b) Financial administration is unsatisfactory?

Monmouthshire County Council personnel policies and procedures ensure Officers are appropriately qualified for the roles undertaken.

Internal control arrangements ensure there is division of duties amongst Officers. Periodic audits review the internal control arrangements.

(c) Financial losses arise due to speculative investment?

The investment policy prescribes a risk minimisation approach that can limit the investment of funds to institutions meeting specified criteria.

(d) Financial losses arise from fraud or error?

The internal control arrangements are based upon segregation of duties. Periodic audits review the internal control arrangements. Insurance provides a means to recover from specified losses.

4 Compliance Risk

(a) Failure to comply with legislation / regulations?

The activities of the Fund are specified within objects of the Trust. The nature and format of financial reporting is specified by the Charity Commission and an external audit of the accounts is mandatory. A number of senior Council staff support and advise Cabinet on legal and financial matters.

Welsh Church Fund – Risk Assessment Policy 2021/22

The financial assistance provided by the Welsh Church Fund supports a very wide range of community activities, including voluntary and sporting organisations. Annually, monies are distributed and the key risk faced by the Welsh Church Fund is a loss or reduction in the amount of monies available.

An assessment of the risks faced by the Welsh Church Fund has been undertaken and steps taken to:

- avoid risks through alternative strategies
- transfer risks to others
- limit and reduce risks by improving controls
- insure against specified risks

On an annual basis, the risk assessment will be reviewed and updated to include any new risks identified.

The risks identified have been encompassed within four categories:

- Page 199
- governance & management
 - operational risks
 - financial risks
 - compliance risk

The following paragraphs list the risks identified & the steps taken to mitigate or eliminate the risk.

1. Governance & Management

(a) The fund lacks direction?

The activities of the Fund are specified by the Scheme made by the County Council of Monmouthshire under section 19 of the Welsh Church Act 1914.

The Cabinet has a clear purpose to maximise the return on its investments and this is contained within the investment policy.

The Cabinet is accountable to the Councils within the Greater Gwent area.

(b) There are conflicts of interest?

Members of the Cabinet are elected every 4 years and are required to conduct themselves in-line with the Code of Conduct.

Members are required to declare any interests related to the activities of the Cabinet and may not vote. These matters are recorded.

Members allowance and expense payments are not charged to the Welsh Church Fund.

(c) Funds are used inappropriately?

The Charitable purposes for which funds can be used is contained within the Scheme made by Monmouthshire County Council, which is also implemented by the other constituent authorities within the Monmouthshire Welsh Church Fund Scheme. The Trust has set criteria to assist constituent authorities in making grant distributions and to ensure that there is transparency in decision-making and due process. The Trust will ensure that grant distributions have been made in accordance with the scheme in place and within the set criteria developed.

The investment and fund strategy prescribes a risk minimisation approach, with funds only placed with institutions meeting specified criteria.

(d) Key staff leaving the Council's employment?

The actions of Officers of the Council are determined by Delegated Powers.

A number of senior Council staff support and advise the Cabinet on legal & financial matters.

(e) Inadequate information is provided to the Cabinet?

Annually, the Cabinet considers the level of reserves and anticipated investment income before determining the level of grants to be made available to the constituent Councils.

Variances between the anticipated & actual investment income are taken into consideration in the following year's grant awards to the constituent Councils.

2. Operational Risks

(a) Unsuitable staff support and advise the Cabinet?

Monmouthshire County Council has a comprehensive recruitment process that is supported by a wide range of personnel policies.

The training & development needs of officers are identified through the Employee Review process.

A number of senior Council staff support and advise the Cabinet on financial and legal matters.

(b) Systems & procedures are not secure?

Systems & procedures are documented & document retention policies are in place. IT systems have data back-up arrangements & disaster recovery plans. Periodic audits identify internal control improvement requirements. Insurance provides a means to recover from specified losses.

(c) Stakeholders are not satisfied with the operation of the Fund?

The Scheme made by the County Council of Monmouthshire provides for financial assistance to be made available for a wide range of community activities.

The Authority's Audit Committee considers annual reports on the financial performance of the Fund.

The Constituent Councils also consider annually the level of funding available for community activities.

(d) The assets of the Fund are at risk?

In accordance with the investment policy, a number of constraints are placed upon the way in which monies are used. A risk minimisation strategy has been adopted which limits the investment of funds to individual institutions meeting specified criteria.

The proposed Investment and Fund Strategy for 2021/22 for the Welsh Church Fund includes scope for investment in pooled investment funds (Collective investment funds).

(e) Unsatisfactory returns on investment are achieved?

The fund strategy requires monies be invested in financial instruments which produce interest payments and where there is no long-term depreciation in the capital value of the investment.

The proposed Investment and Fund Strategy for 2021/22 allows for the continued use of pooled investment funds. This does increase the risk that the principal amounts held can go down as well as up in value. This is suited to the Welsh Church Fund as the Trust can tolerate these movements over a business cycle. The movements are expected to be neutral over a business cycle and the earning power of these investments is not largely affected by the market value.

The overall aim is to obtain a satisfactory rate of return enabling the Cabinet to distribute an amount based on the actual return on investments achieved during the preceding twelve-month period plus any accumulated capital receipts, after meeting the expenses incurred in managing the fund.

Annually, the Cabinet considers the actual return on investments and the extent to which the investment objectives have been achieved. Benchmark information is available from the Authority's Treasury Management Advisors for jointly invested funds with the Council.

3. Financial Risks

(a) Budgetary control is inadequate?

Annually, the Cabinet considers the level of reserves and anticipated investment income before determining the level of grants to be made available to the constituent Councils.

Variance between the anticipated and actual investment income will be reflected in the following year's grants to the constituent Councils.

(b) Financial administration is unsatisfactory?

Monmouthshire County Council personnel policies and procedures ensure officers are appropriately qualified for the roles undertaken.

Internal control arrangements ensure there is division of duties amongst officers.

Periodic audits review the internal control arrangements.

(c) Financial losses arise due to speculative investment?

The investment policy prescribes a risk minimisation approach that can limit the investment of funds to institutions meeting specified criteria.

(d) Financial losses arise from fraud or error?

The internal control arrangements are based upon segregation of duties.

Periodic audits review the internal control arrangements.

Insurance provides a means to recover from specified losses

4. Compliance Risk

(a) Failure to comply with legislation / regulations?

The activities of the Fund are specified within the Scheme made by the County Council of Monmouthshire.

The nature and format of financial reporting is specified by the Charity Commission and an external audit of the accounts is mandatory.

A number of senior Council staff support and advise the Cabinet on legal and financial matters.

Ensure that the Welsh Church Fund is administered in line with section 3(8) of the Charities Act 1993.



monmouthshire
sir fynwy

Future Generations Evaluation (includes Equalities and Sustainability Impact Assessments)

Name of the Officer completing the evaluation Peter Davies Phone no: 01633 644294 E-mail: peterdavies@monmouthshire.gov.uk	Please give a brief description of the aims of the proposal To assess the 2021/22 Budget, Investment & Risk Management Strategies of the Welsh Church Fund and Mon Farm Education Trust
Name of Service Finance	03rd March 2021



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Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.




Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
A prosperous Wales Efficient use of resources, skilled, educated people, generates wealth, provides jobs	Grants are awarded to help with infrastructure projects on cultural and community assets that help sustain jobs in the community for skilled tradesmen and stimulate educational well being	No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs
A resilient Wales Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)	Environmental schemes can benefit from funding awards to assist in drainage, water course management and flood alleviation works	No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A healthier Wales</p> <p>People's physical and mental wellbeing is maximized and health impacts are understood</p>	<p>Grants assist in providing facilities for groups / individuals that help residents participate in sporting / recreational clubs that have a positive mental impact both physically and in the environment that the clubs operate within.</p>	<p>No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs</p>
<p>A Wales of cohesive communities</p> <p>Communities are attractive, viable, safe and well connected</p>	<p>Community groups and individuals can apply for funding for projects that enhance their local community facilities and environment</p>	<p>No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs</p>
<p>A globally responsible Wales</p> <p>Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Restrictions are imposed in regard to the nature and purpose that grants can be made to ensure that funding enhances or doesn't have any negative impact upon activities carried out in Monmouthshire that affect the global environment</p>	<p>No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs</p>
<p>A Wales of vibrant culture and thriving Welsh language</p> <p>Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>Assists applicant organisations / individuals to promote recreational participation and organization of sports clubs and associations. Applicants can use the funds provided to enhance the heritage and culture of Monmouthshire through community projects and groups</p>	<p>No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A more equal Wales</p> <p>People can fulfil their potential no matter what their background or circumstances</p>	<p>Grants are generally only given to organisations / individuals can prove a basis of need due to their own personal circumstances or collective need for improvement to cultural or environmental infrastructure or help further community participation</p>	<p>No negative impacts as grants given to assist in providing positive impacts on actions / schemes / training in regard to applicants needs</p>

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
<p>Page 206</p>  <p>Long-term</p> <p>Balancing short term need with long term and planning for the future</p>	<p>Schemes of a capital nature tend to draw more substantial awards which will ensure longevity of assets and project outcomes. The application process also ensures that those applicants that demonstrate a need for short term financing also have due consideration when funding is allocated</p>	<p>The trusts award allocation principles are reviewed and if required amended annually to ensure funding is matched to those that require support.</p>
 <p>Collaboration</p> <p>Working together with other partners to deliver objectives</p>	<p>The Trusts assist applicants in achieving their objectives by providing part or full funding for implementation of their project goals.</p>	<p>Not Applicable to the Trusts</p>

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Involvement views</p> <p>Involving those with an interest and seeking their views</p>	<p>The Committee seek to ensure that those directly involved with the applicants and decision makers are informed of all the necessary information to make informed beneficial decisions</p>	<p>The Trust report is distributed to interested parties for consultation and amendment before final confirmation at Cabinet</p>
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>Funding is provided for preventative as well as remedial schemes in regard to infrastructure and community assets and supporting community groups with social and cultural activities</p>	<p>The trusts have developed investment strategy policies in order to facilitate greater income returns in order to distribute to qualifying applicants</p>
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	<p>Positive impacts are made on all successful applicants to the Trusts as funding is provided for economic, cultural, environmental and educational needs as demonstrated by the applicants on their application forms</p>	<p>The trusts award allocation principles are reviewed and if required amended annually to ensure funding is matched to those that require support.</p>

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	Positive impact as most community groups who apply support the elderly. Also, educational grants awarded to young people applying to the Trusts	None identified	
Disability	Positive impact as grants awarded to groups and individuals that either support the disabled or have a disability	None identified	
Gender Reassignment		No restrictions on applicants	
Marriage or civil partnership		No restrictions on applicants	
Race		No restrictions on applicants	
Religion or Belief	Positive impact as Religious organisations are supported	None identified	
Sex		No restrictions on applicants	
Sexual Orientation		No restrictions on applicants	
Welsh Language		No restrictions on applicants	

4. Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities? For more information please see the guidance note <http://hub/corporatedocs/Democratic%20Services/Equality%20impact%20assessment%20and%20safeguarding.docx> and for more on Monmouthshire's Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Grants are awarded to organisations that assist children in need either through their health or social deprivation. Awards are also made to Community Children's Group's that assist in their integration in social patterns	No negative impact	
Corporate Parenting	Not applicable to the Trust		

5. What evidence and data has informed the development of your proposal?

<p>The Arlingclose Ltd Monmouthshire County Council Investment Strategy Review 2020; The Arlingclose Ltd Monmouthshire Mon Farm Education Investment Strategy Review 2020; The Draft Provisional Settlement from Welsh Government 2021/22; The Welsh Church Act Fund Audited Accounts 2019-20 and The Monmouthshire Farms School Endowment Trust Fund Accounts 2019-20.</p>

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

The proposals that support the distribution of charitable grants from the trusts are positive in that they support individuals, community and environmental groups in their pursuit of enhancing the culture, environment and personal wellbeing of people covered by their demographic remits. The application of the Investment and Risk Strategies are designed to provide the maximum amount of investment returns to provide funds to support those applicants to the fund without substantially diminishing the Capital value of the Trust Funds.

7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress
None			
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8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	The application of the Trust fund policies are reported in the financial statements of those trusts at each financial year-end.
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WELSH CHURCH FUND PRINCIPLES, POLICY CONSIDERATIONS AND GRANT ALLOCATION CRITERIA – 2021-22 FUNDING YEAR

Basic Principles of the Welsh Church Fund Trust

The basic principle is that the charity needs to be independent of the local authority. This means that decisions about the administration of the charity need to be taken solely in the interests of the charity to further its charitable purposes, and for no other purpose.

There are also a number of duties the trustee must consider when making this type of decision. If these duties are met, then the trustee can be confident that the decision about how to apply the charity's income is reasonable and defensible. Therefore, again, the trustee must act only in the charity's best interest and meet the duties to:

1. Act within the powers conferred upon them and the established rules and procedures for dealing with issues of the kind under consideration.
2. Adequately inform themselves in order to make the decision in question, where necessary making further enquiries and where appropriate considering legal or other professional advice.
3. Consider any factors which they should take into account.
4. Not take into consideration any factors which are not relevant.
5. Act in good faith (and this includes managing conflicts of interest).
6. Make a decision within the range of decisions which a reasonable body of trustees could have made.

The decision and the reasoning must also be clearly recorded in the charity's minutes.

Policy Considerations for Charity Trustee

1. Make sure the trustee is clear about the objects of the charity as set out in its governing document as these dictate how any such asset may be used, in accordance with charity law.
2. Make sure that the Welsh Church Fund's assets, for which the council is the trustee, are managed independently in accordance with their charitable purpose and any restrictions in the governing document.

3. **Recognise that the charity trustees have a duty to be prudent and to act solely in the best interests of the charity.**
4. **Ensure that there are in place clear procedural guidelines for the Officers and Councillors about their roles, responsibilities and decision making in the administration of the charitable fund.**
5. **Ensure we have a clear process for identifying and managing any conflicts of interest that arise where the local authority is the trustee of a charity.**

Allocation Criteria for the Welsh Church Fund Working Group

Groups and individuals that benefit from grant allocations

Churches and Religious Groups tend to be given higher awards as it is the Welsh Church Fund.

Church Parish's

Community Groups and Charities

Sports and Recreation Clubs

Environmental Groups

Individuals that have an identified and proven need of financial assistance

Other deemed charitable causes by the Working Group Committee

Allocation Policy and Principles

Awards are only given on the existence of a proven financial need as identified by a sponsoring Councillor in the first instance and the Welsh Church Fund Working Group Committee in the main instance.

Existing policy of no allocations to Community or Town Councils

Existing policy of no allocations to Private Business's

Existing policy of no allocations to other Public Bodies

Existing policy of not supporting the day to day running expenses except in exceptional circumstances as clubs / organisations should be self supporting and not rely on WCF money for their continued existence.

Existing policy of only Churches being allowed to re-apply every year to be maintained, though, those applications will only be considered where the application is for a different and distinct purpose.

Existing policy of restricted or no allocations for day trips or trips that will not benefit the County by an individual's subsequent personal actions

The trust currently has a policy of dropping an application if deferred for further information at the first meeting, if then subsequently that information is not received by the next meeting date. This policy will continue. Emphasis on sponsoring Councillor to ensure sufficient evidence is presented along with application.

Any assistance to schools or educational establishments that come under the general umbrella of MCC will ONLY be assessed in light of the merit and purpose of the application and in consideration and conjunction with any future Children and Young People's policy in relation to School Welfare and Support groups

Confirm the Policy that the trust will continue to only pay grant awards by BACS payments in line with current MCC payment guidelines and to save the Trust from excessive and unnecessary administrative charges.

Confirm the Policy that applications will only be accepted on the current application form as currently posted on the MCC Website (The Welsh Church Fund: Monmouthshire County Council) as this will contain all the currently required information.

Confirm the Policy that the Councillor signing the application ensures that the application qualifies for funding under the Charitable Purposes of the Trust as posted on the MCC website.

Confirm the Policy that when a Councillor signs an application to the Welsh Church Fund that they are fully aware of the purpose to the application and ensure that they have seen any supporting evidence or documentation required to support the application (i.e. Accounts, Bank Statements, letters of representation etc.) and ensure that it is submitted with the application in order that the Working Group Committee can make an informed and timely decision at the first meeting.

Confirm the principle of restricted awards or no grant allocations to organisations that receive direct financial support from MCC or any other Local Authority for Administrative expenses.

Support the principle that applicants should show effort and willing in raising funds themselves as well as expecting grant aid from the Welsh Church Fund.

Principle that there is a defined financial pot that has to be shared equally between deserving applicants and throughout the financial year. Any remaining funds at the financial year end will be carried forward to the next financial year.

Continuation of the policy that the budget for the next financial year is recommended by the Section 151 Officer of Monmouthshire County Council as they are in the best possible position to assess future financial performance and financial assets available for distribution in light of the Charity's policy to maintain the level of investments at a level that provides sufficient annual income to fund the Charity's charitable expenditure.

For the financial year 2021/22 that there is no maximum grant award imposed on all non individual applications and that a maximum award of £500 is imposed upon applicants by individual applicants. This limit will be reviewed annually once a decision has been made on the grant distribution for the next financial year by the Trustee.

The Working Group Committee has the right to set a Policy / Principle that is binding at any Committee meeting in the future if it is regarded to be in the best interest of the Trust even if a precedent may have been set by a past decision.

The Working Group Committee will set out the Principles and Policies for each financial year at the last meeting of the previous financial year.

NO appeal procedure will be allowed against grant application decisions made by the Working Group Committee. If a sponsoring Councillor would like to resubmit an application for review on a decision that has been made by the Working Group Committee, then new material evidence that was not available at the previous meeting must be presented.

A conflicts of interest procedure has been ratified. Councilor's that are associated with any application are asked too:

- Page 214
- a) declare their interest,**
 - b) may remain in the room and remain silent**
 - c) be allowed to present the case or relevant points if requested by the chair for clarification purposes only**
 - d) be part of any application re-consideration process only at the request of the chair for clarification purposes**

The Working Group Committee has the overall right to dismiss any application they feel is inappropriate for funding even though it may qualify under the Charitable Purposes to which the fund may be applied, as they feel it would not be in the best interests of the Charity.

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SUBJECT: EDUCATION ACHIEVEMENT SERVICE (EAS) BUSINESS PLAN (2021-2022)

MEETING: Cabinet

DATE: 3 March 2021

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

1.1. This report seeks agreement from members for the EAS Business Plan 2020-2021.

2. RECOMMENDATIONS:

2.1. It is recommended that Cabinet approve the EAS Business Plan 2020-2021.

3. KEY ISSUES:

3.1. The EAS delivers, through an agreed Business Plan, a wide range of school improvement services to all schools (all key stages, including all through schools and special schools), pupil referral units and funded non-maintained nursery settings on behalf of each LA. This plan supports the role LAs have in delivering their statutory function, addressing their individual improvement priorities and promoting improved pupil outcomes.

3.2. In previous years the Business Plan has been accompanied by a LA Annex document. At a recent meeting of the Joint Executive Group it was agreed that the production of LA Annex documents would be paused for this year (2021/2022) as a result of changes to the accountability arrangements and the lack of available data / information e.g. categorisation, target setting. However, the main Business Plan will continue to contain LA specific priorities.

3.3. The EAS is required to submit an annual overarching regional Business Plan. This document contains the main priorities that the EAS believe will be relevant to focus upon in the next iteration of the regional Business Plan for 2021-2022. It is challenging to try to predict the way in which society will be operating from summer 2021 with regards to managing the spread of coronavirus. The priorities contained within this document assume that the EAS will build upon the learning and momentum from the past few months.

3.4. However, this plan will also need to consider how schools and settings will operate in a COVID-19 recovery phase and the support that will be required. Consideration will also be given to the priorities that were set and agreed prior to the pandemic in the previous Business Plan 2020-2021 depending on their relevance in the current climate.

3.5. The EAS will work collaboratively with local authority partners, schools and settings to implement the Business Plan. It is critically important that the EAS remains sensitive and responsive to the needs of the school workforce and will continue to be a highly supportive, reflective and responsive organisation.

- 3.6. The EAS will build upon what has worked well during this period, particularly the aspects of our role that have been successful within the virtual environment. The support that the EAS will offer will fully align to the expectations set by local authorities, Welsh Government (WG) and links to emerging research.
- 3.7. The EAS understands the need to over communicate with clarity to provide reassurance regarding advice, guidance, support and expectations. As a result, the EAS will work with local authorities to minimise any unnecessary bureaucracy for schools and settings to ensure they are able to focus on their important priorities and their support for learners.
- 3.8. The timing, delivery and focus of the support will be carefully considered considering the challenges that are likely to continue into the summer and autumn terms 2021.
- 3.9. Members are asked to take the opportunity to comment on the contents of the Business Plan as part of the consultation process and provide a written response as appropriate.
- 3.10. Please note that a mid-year evaluation of the current revised Covid Business Plan (2019/20) has been submitted to each of the EAS governance groups and has been available for local authorities to share as appropriate within their own democratic processes (created in January 2021).
- 3.11. The delivery model for the Business Plan is on a regional basis, the needs of each school and setting within Monmouthshire will continue to be met through bespoke work in line with their improvement priorities, both virtually and when safe to do so physically.
- 3.12. The EAS will offer an evolving Professional Learning Offer (PLO) to all schools and settings across the region, in order to meet development needs as we emerge from the pandemic. We will continue to fund schools (grant permitting) to deliver a large proportion of the professional learning activity, where appropriate virtually
- 3.13. All schools will continue to be provided with a bespoke support package that compliments the priorities identified within their own School Development Plans (SDPs) in line with the levels of support they require. There is a degree of flexibility within the deployment model to allow for in-year changes in circumstances and to allow for changes in light of the pandemic.
- 3.14. The talent and expertise that resides in schools within and beyond the region is incentivised and used effectively to support professional learning and school improvement activity. There has been inevitable fragility in the ability of schools to offer support beyond their own settings because of the pandemic, this situation will be managed with sensitivity and will be constantly reviewed.
- 3.15. For sustained school improvement to happen it is essential that all partners work together more closely than ever recognising that each partner (school, LA and EAS) has its role to play in providing support to secure improvements.
- 3.16. The Business Plan has been through a consultation process. The Consultees are noted below:
- EAS staff
 - Directors of Education (within South East Wales) and Diocesan Directors
 - Regional Joint Executive Group
 - EAS Company Board
 - EAS Audit and Risk Assurance Committee
 - Individual local authority education scrutiny committees
 - All Headteachers from within the region

- All Chairs of Governors from within the region
- School Councils from within the region
- All school based Professional Learning Leads
- EAS Supporting School Trade Union Group (SSTU Group)

3.17. The final version of the Business Plan will be supported by a range of supporting documents:

- Detailed Business Plan 2021–2022
- Regional Grant Mapping Overview 2021–2022
- Regional Self-Evaluation Report (Executive Summary)
- EAS Risk Register (Executive Summary)
- Regional Professional Learning Offer 2021–2022
- Local Authority Strategic Education Plans

3.18. The regional priorities and actions contained within this plan will support the implementation of each of the strategic priorities (that fall within the remit of the EAS) that have been identified by Monmouthshire County Council. The EAS will continue to work in partnership with local authorities to support additional local priorities, as appropriate, and those that arise from the changing local and national situation.

3.19. The improvements that are required at regional and local authority level require a strong commitment of partnership-working to be successful. Where local authorities and the EAS work in close partnership, there is evidence, that rapid and sustainable school improvement can be achieved. This joined up approach will be even more critical as we work in partnership to support schools and settings during this challenging time.

3.21 Monmouthshire Strategic Priorities 2021/22

Monmouthshire strategic priorities for 2020/21 aligned well with the following four recommendations from our Estyn inspection in February 2020. They are:

- R1 Improve outcomes for pupils eligible for free school meals
- R2 Further strengthen the focus on increasing the number of pupils achieving excellent standards
- R3 Articulate a clear strategy for SEN provision
- R4 Strengthen the use of information gathered through self-evaluation to better inform improvement planning

The year that followed has been unprecedented and in managing our response to the global pandemic, our priorities have taken a step back. Instead, we have adopted key strategic aims that can be responsive to emerging needs in a rapidly changing environment. Whilst the current uncertainty remains, we continue to work towards addressing our Estyn recommendations, and prioritising emerging need.

Regional Priorities 2021-2022

3.22 The EAS will endeavour to be a professional partner working with schools and settings. All schools and settings will be entitled to a range of professional learning and bespoke support which aligns to their school improvement priorities. Full consideration will be

given to the current climate in which schools and settings are operating. Within this context the priorities of the EAS will be to:

1. To ensure that the wellbeing support for practitioners and learners in schools and settings is paramount.
2. Provide bespoke support to schools and settings in line with agreed school improvement priorities that reflect the current situation and positions of schools and settings.
3. Provide support to continue to improve the quality of teaching and learning, including continued use of blended learning approaches, particularly in identified secondary schools.
4. Continue to provide support to school leaders on the identification and support for specific groups of disadvantaged and vulnerable learners including those who have been disproportionately affected by school closures.
5. Provide professional learning and bespoke support and guidance to schools and settings to help them realise Curriculum for Wales, as appropriate.
6. Provide access to a range of regional and national professional learning, including access to coaching and mentoring, for all educational practitioners in schools and settings that is appropriate to their role and responsibility in line with professional standards.
7. Consolidate, promote and further develop the regional school and practitioner networks, enabling effective routes of communication and support.
8. Continue to support the development of leaders at all levels in schools and settings.
9. Further build the capacity of governing bodies through the regional professional learning offer and bespoke support, as appropriate.
10. Further develop a culture around accountability that identifies and values a broad spectrum of characteristics of effective schools and settings.
11. Embed the EAS internal evaluation model, continue to welcome external challenge and support, ensure the effective and efficient support to schools and settings and adhere to legislative requirements that fully supports the wellbeing of staff.

Ambitions for 2021-22

3.23 Working in partnership with local authorities, schools and setting the ambitions for 2021/22 and beyond are challenging to capture without having clarity around the changing nature of the pandemic and the effect it will have on schools and settings. In this regard, the ambitions below need to be read within the context they have been derived:

- The EAS has placed wellbeing at the forefront of its work and has provided a range of professional learning to schools and settings that has provided support to the social and emotional needs of the workforce and learners.
- There is a clear strategy to improve the quality of distance and blended learning experiences for learners. There has been good engagement in the regional strategy and many opportunities have been provided for schools to share to develop more effective teaching across and within schools and settings.

- Schools and settings receive the right type of support, as appropriate to help them make appropriate progress against their school improvement priorities.
- Most schools can identify and provide the most appropriate support to specific groups of disadvantaged and vulnerable learners, including those who have been disproportionately affected by school closures, to help them to progress.
- A regional strategy developed in collaboration with practitioners provides a coherent approach to improve progress in literacy, numeracy, digital and personal and social skills of learners who have been disproportionately affected by the pandemic, for example pupils eligible for free school meals.
- The quality and impact of the provision for professional learning for educational practitioners and governors is good and those schools that have engaged are able to evidence the impact of this.
- Refined and extended networks ensure effective collaboration and communication to support school improvement.
- A range of professional learning and bespoke support provided to schools and settings helps them realise Curriculum for Wales.
- Working with schools and local authorities, a regional model of support will be developed and implemented, focusing on accurate self-evaluation using a broad range of characteristics, aligned to school improvement priorities.
- Evaluations of the impact of regional policies and practices developed since the start of the pandemic will be used to inform future ways of working and curriculum design.
-

Risks

3.28 EAS Regional Risks: As part of the internal EAS risk management process several aspects have been identified as potential barriers to the successful implementation of this Business Plan. These clearly set out the elements that will be important to ensuring optimum impact of the work of the EAS in partnership with LAs. These are:

- Full use is not made of consultation events to help shape the direction of the Business Plan to ensure collective regional ownership of priorities and actions for improvement.
- Uncertain financial grant projections may destabilise the ability to deliver the agreed business plan.
- The uncertainty surrounding the pandemic and the effect this will have on schools and settings.

3.29 These risks are mitigated through the identification of priorities as seen in the priority areas above and within the detailed within the EAS Business Plan, Monmouthshire LA Plans and the Education Strategic Plan.

3.30 Monmouthshire LA will have its own risks linked to the delivery of the strategic objectives within their corporate plans.

4. REASONS:

4.1. The South East Wales Consortium is required to submit to the Welsh Government a three-year business plan that will be updated annually. This meets the requirements set out in the Welsh

Government's National Model for Regional Working. The business plan addresses all aspects in support of improvements across the schools and settings in Monmouthshire.

5. RESOURCE IMPLICATIONS:

- 5.1 The EAS is subject to a robust governance model that is underpinned by a Collaboration and Members agreement (CAMA) and Articles of Association. Ensuring that the EAS provides value for money is of utmost importance. As recipients of public funding, it is important that budgets are allocated wisely. We will endeavour to deliver even better value for money through achieving financial balance and delivering services within the constraints of our budget, making further efficiency savings wherever possible and ensuring delegation rates to schools are maximised.
- 5.2 The EAS is funded on an annual basis from three sources: Local authority core contributions, regional school improvement grants and a service level agreement for governor support services. A spending plan will accompany the Business Plan and will be intrinsically linked to all actions contained within it. A detailed overview of the regional distribution of all grants will be available for all schools to view and compare allocations and rates of delegation through the regional grant monitoring tool.
- 5.3 Delegation rates to schools has increased to 94.4%, in 2019/2020, whilst the EAS staff profile has reduced by 53.1% since 2012.
- 5.4 The local authority's indicative core contribution for 2021/22 are as follows: Monmouthshire LA's contribution for 2021/22 is £405,844 compared with £414,127 in 2020/21 and £420,218 in 2019/20.
- 5.5 At the time of writing this report, there is uncertainty with regards to the regional grant funding from WG for 2021/2022. As a result of the pandemic, it is likely that there will be reductions in the regional grant profile. When the grant position has been confirmed the EAS detailed delivery plan will be updated accordingly.

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

- 6.1. High Quality education is a fundamental pre-requisite of ensuring future local and national prosperity through the provision of an informed and well-educated workforce and society. The Local Authority's statutory role to monitor and evaluate school performance and the quality of provision, coupled with its statutory powers of intervention in schools causing concern is fundamental to ensuring that all schools provide high quality education provision.

7. CONSULTEES:

7.1. The Business Plan has been through a consultation process. The Consultees are noted below:

- EAS staff
- Directors of Education (within South East Wales) and Diocesan Directors

- Regional Joint Executive Group
- EAS Company Board
- CYP Select Committee
- EAS Audit and Risk Assurance Committee
- Individual local authority education scrutiny committees
- All Headteachers from within the region
- All Chairs of Governors from within the region
- School Councils from within the region
- All school based Professional Learning Leads
- EAS Supporting School Trade Union Group (SSTU Group)

8. **BACKGROUND PAPERS:**

8.1 Education Achievement Service: Regional Business Plan (Post Covid Recovery: April 2021-March 2022) (Final)

9. **AUTHOR:** Debbie Harteveld (Managing Director EAS)

Presenting: Edward Pryce (Assistant Director, EAS)

CONTACT DETAILS: **Tel:** 07904 644686

E-mail: ed.pryce@sewaleseas.org.uk

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EAS

Education Achievement Service
for South East Wales
Gwasanaeth Cyflawni Addysg
i Dde Ddwyrain Cymru



Education Achievement Service

Regional Business Plan

April 2021 - March 2022

(Final Version)



The Education Achievement Service (EAS) Business Plan has undergone a thorough consultation process. The consultees are listed below:

- EAS staff
- Directors of Education (within South East Wales) and Diocesan Directors
- Regional Joint Executive Group
- EAS Company Board
- EAS Audit and Risk Assurance Committee
- Individual local authority education scrutiny committees
- All Headteachers from within the region
- All Chairs of Governors from within the region
- School Councils from within the region
- All school based Professional Learning Leads
- EAS Supporting School Trade Union Group (SSTU Group)

The final version of the Business Plan 2021-2022 will be presented for agreement to the Regional Joint Executive Group and then to each LA Cabinet / Executive in March 2021. The plan will then be submitted to Welsh Government.

<p>Cllr K Preston Chair of Education Achievement Service Company Board</p>	
<p>Cllr J Collins Chair of Joint Executive Group</p>	
<p>Ms D Harteveld Managing Director, Education Achievement Service</p>	
<p>Mr Will McClean Lead Director on behalf of South East Wales Directors Group</p>	

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Section 1: Position statement

“Especially in times of uncertainty, it is important for the organisation to be agile and to be able to respond quickly to changing needs. In these times of challenge, continue to focus on staying close to schools, listening to the voice of school leaders and working closely with local authorities. Relationships and trust are crucial in times of uncertainty so in spite of the other pressures this needs to continue to be prioritised very strongly and time proactively put aside in diaries to do it.” (Steve Munby: Review of the EAS - October 2020)

Our Pledge: Continue to over communicate with clarity, to strengthen collaboration, support schools and settings to embrace change and promote innovation.

This document contains the main priorities that the EAS believe will be relevant to focus upon in the next iteration of the regional Business Plan for 2021-2022. It is challenging to try to predict the way in which society will be operating from summer 2021 with regards to managing the spread of coronavirus. The priorities contained within this document assume that the EAS will build upon the learning and momentum from the past few months.

However, this plan will also need to consider how schools and settings will operate in a COVID-19 recovery phase and the support that will be required. Consideration will also be given to the priorities that were set and agreed prior to the pandemic in the previous Business Plan 2020-2021 depending on their relevance in the current climate.

The EAS will work collaboratively with local authority partners, wider partners and schools and settings to implement the Business Plan. It is critically important that the EAS remains sensitive and responsive to the needs of the school workforce and will continue to be a highly supportive, reflective and responsive organisation.

The EAS will build upon what has worked well during this period, particularly the aspects of our role that have been successful within the virtual environment. The support that the EAS will offer will fully align to the expectations set by local authorities, Welsh Government (WG) and links to emerging research. The pandemic has reminded us that positive change is and has been possible. Schools, settings and the EAS have seized opportunities to explore innovative ways of working and delivering meaningful learning experiences through a creative blended learning approach. These experiences should be built upon to avoid a ‘snap back,’ keeping the positive learning that has been developed during this time.

During this period, the region has facilitated sharing opportunities to capture emerging practice and to discuss their developments and refinements via the Blended Learning task and finish groups and subsequent Masterclass events.

Whilst the challenges schools and learners have faced have been recognised, many leaders have acknowledged that not all learners have been adversely affected by the pandemic and many learners have had positive experiences. Practitioners have responded positively to this period of change, responding with resilience and agility, including evolving their use of technology innovatively to:

- improve communication with learners and the wider school community
- provide the opportunity for innovative pedagogy, enabling more flexible and tailored learning experiences
- enable and enhance collaboration, both internally and with a wider range of partners, broadening opportunities for Professional Learning across the school workforce.

At the start of the pandemic, no one could have foreseen or anticipated the disruption to the lives of learners, staff and school communities that would happen during the course of the year. Wellbeing will continue to be at the forefront of the regional approach.

Schools and their communities will have had their own unique set of circumstances and will require a bespoke and flexible approach to learning together through this next phase. Every learner will have differing requirements to engage successfully in their continued learning and to fully integrate into the whole school experience when the time is right.

We will continue to research, refine, respond and reflect to school needs. Our established networks will continue to be the mechanism of communicating with schools and settings. The Supporting our Schools website will continue to be the 'go to place' for all resources and guidance materials.

The EAS understands the need to over communicate with clarity to provide reassurance regarding advice, guidance, support and expectations. As a result, the EAS will work with local authorities to minimise any unnecessary bureaucracy for schools and settings to ensure they are able to focus on their important priorities and their support for learners.

The timing, delivery and focus of the support will be carefully considered in respect of the challenges that are likely to continue into the summer and autumn terms 2021.

Section 2: Regional Context

The centralised model of service delivery that has been adopted across the South East Wales region has enabled efficiencies to be realised, economies of scale to be secured, particularly in relation to avoiding duplication of functions and the ability to secure a range of educational expertise within the region.

The talent and expertise that resides in schools and settings within and beyond the region is incentivised and used effectively to support professional learning and school improvement activity. There has been inevitable fragility in the ability of schools and settings to offer support beyond their own settings because of the pandemic, this situation will be managed with sensitivity and will be constantly reviewed.

Key regional facts and figures



- The number of pupils of compulsory school age within the region in 2020 was 73,090. This represents 19% of all pupils in Wales.



There are 233 maintained schools in the region, 16% of all maintained schools in Wales (EAS figure correct from September 2020, Wales figure from PLASC, 2020).



There are 20 Welsh medium primary schools, 3 Welsh medium secondary, 17 Roman Catholic and 11 Church in Wales schools within the region.



- The percentage of pupils of compulsory school age who are eligible for free school meals (FSM) is 20.9%. This level of eligibility is the second highest of the four regional consortia with Central South Consortium highest with 21.3% (PLASC, 2020).



- In the region, 10% of people aged three and over say that they can speak Welsh compared to the Wales average of 19% (2011 Census, ONS).



- The percentage of pupils aged 5 or over from an ethnic minority background is 11.3%.




Based on local authority reported numbers (Summer 2019), 1024 children in the region are looked after (LAC) by a local authority and attend a school in the region. (No new information available and not included on PLASC for 2020)

Overview of school and settings
2021


Caerphilly (21.6% FSM)

- 14 Non-maintained Nursery settings
- 63 Primary (11 Welsh medium, 1 Roman Catholic)
- 6 Infant
- 4 Junior
- 11 Secondary (1 Welsh medium)
- 1 Special
- 1 Pupil Referral Unit
- 1 3-18




Newport (19.5% FSM)

- 23 Non-maintained Nursery settings
- 2 Nursery
- 43 Primary (3 Welsh medium, 2 Church in Wales, 6 Roman Catholic)
- 9 Secondary (1 Welsh medium, 1 Roman Catholic)
- 2 Special
- 1 Pupil Referral Unit




Blaenau Gwent (25.5% FSM)

- 3 Non-maintained Nursery settings
- 19 Primary (1 Welsh medium, 3 Roman Catholic, 1 Church in Wales)
- 2 Secondary
- 2 Special
- 2 3-16




Monmouthshire (13.1% FSM)

- 25 Non-maintained Nursery settings
- 30 Primary (2 Welsh medium, 6 Church in Wales, 2 Roman Catholic)
- 4 Secondary
- 1 Pupil Referral Service



Torfaen (25.0% FSM)

- 15 Non-maintained Nursery settings
- 25 Primary (3 Welsh medium, 3 Church in Wales, 3 Roman Catholic)
- 6 Secondary (1 Welsh medium, 1 Roman Catholic)
- 1 Special
- 1 Pupil Referral Service



Overview of regional school / PRU staffing		
Local Authority	Number of Teaching Staff	Number of Support Staff
Blaenau Gwent	506	554
Caerphilly	1,523	1,389
Monmouthshire	644	648
Newport	1,475	1,316
Torfaen	779	773
EAS	4,927	4,680

Overview of regional school governors	
Local Authority	Number of school governors*
Blaenau Gwent	327
Caerphilly	1063
Monmouthshire	429
Newport	768
Torfaen	396
EAS	2983

Section 3: Regional Priorities 2021-2022




The EAS will endeavour to be a professional partner working with schools and settings. All schools and settings will be entitled to a range of professional learning and bespoke support which aligns to their school improvement priorities. Full consideration will be given to the current climate in which schools and settings are operating. Within this context the priorities of the EAS will be to:

- A. Ensure that the wellbeing of practitioners and learners in schools and settings remains paramount. Regional professional learning will be provided to support the social and emotional needs of the workforce and learners.
- B. Provide bespoke support to schools and settings to address the impact of the pandemic on individual learners, as appropriate, in line with their improvement priorities.
- C. Continue to provide support to improve the quality of teaching and learning, including the continued use of, and evaluation of blended and distance learning approaches, particularly in identified secondary schools.
- D. Continue to provide support to leaders on the identification and support for specific groups of disadvantaged and vulnerable learners including those who have been disproportionality affected by the pandemic.
- E. Provide professional learning and bespoke support and guidance to schools and settings to help them realise Curriculum for Wales.
- F. Provide access to a range of regional and national professional learning, including access to coaching and mentoring, for all educational practitioners in schools and settings that is appropriate to their role and responsibility.
- G. Consolidate, promote and further develop regional practitioner networks, enabling effective routes of communication and support.
- H. Continue to support the development of leaders at all levels in schools and settings.
- I. Further build the capacity and capability of the knowledge and skills of governing bodies (as appropriate), through the regional professional learning offer and bespoke support.
- J. Further develop a culture around accountability that identifies and values a broad spectrum of characteristics of effective schools and settings.
- K. Embed the EAS internal evaluation model, continue to welcome external challenge and support, ensure the effective and efficient support to schools and settings and adheres to legislative requirements that fully supports the wellbeing of staff.


Local authority education strategic priorities 2021/22 (provided by each local authority)


The regional priorities and actions contained within this plan will support the implementation of each of the strategic priorities (that fall within the remit of the EAS) that have been identified by individual local authorities. The EAS will continue to work in partnership with local authorities to support additional local priorities, as appropriate, and those that arise from the changing local and national situation.

The improvements that are required at regional and local authority level require a strong commitment of partnership-working to be successful. Where local authorities and the EAS work in close partnership, there is evidence, that rapid and sustainable school improvement can be achieved. This joined up approach will be even more critical as we work in partnership to support schools and settings during this challenging time.

Local Authority	Strategic priorities for 2021/2022
<p>Blaenau Gwent</p> 	<ul style="list-style-type: none"> • Minimise the impact of COVID-19 on learner development and progress, including improving the digital competency of all learners and staff in the wider Blaenau Gwent school community. • Ensure high quality leadership and teaching that secures good progress for all learners, particularly the vulnerable and those who are eFSM. • Improve wellbeing for learners at all stages of development. • Secure strong progress in skills, particularly in English and mathematics at key stages 3 and 4. • Support schools who are identified as causing concern through regional protocols to secure improvement, in conjunction with the EAS.
<p>Caerphilly</p> 	<ul style="list-style-type: none"> • Further improve the quality of leadership across all phases of education. • Address the impact of the Covid-19 pandemic on pupil wellbeing and engagement. • Endeavour to ensure the implementation of remote and blended learning strategies provide high quality support to pupils across all phases of education. • Further improve pupils' acquisition of digital competency skills.
<p>Monmouthshire</p> 	<p>Monmouthshire strategic priorities for 2020/21 aligned well with the following four recommendations from our Estyn inspection in February 2020. They are:</p> <p>R1 Improve outcomes for pupils eligible for free school meals.</p> <p>R2 Further strengthen the focus on increasing the number of pupils achieving excellent standards.</p> <p>R3 Articulate a clear strategy for SEN provision.</p>

	<p>R4 Strengthen the use of information gathered through self-evaluation to better inform improvement planning.</p> <p>The year that followed has been unprecedented and in managing our response to the global pandemic, our priorities have taken a step back. Instead, we have adopted key strategic aims that can be responsive to emerging needs in a rapidly changing environment. Whilst the current uncertainty remains, we continue to work towards addressing our Estyn recommendations, and prioritising emerging need.</p>
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<p style="text-align: center;">Newport</p> 	<ul style="list-style-type: none"> • Address barriers to learning at home, particularly where this is due to a lack of access to suitable computers or adequate connectivity. • Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs. • Develop a coherent approach to improve progress in literacy, numeracy and personal and social skills of vulnerable pupils disproportionately affected by the pandemic, for example pupils eligible for free school meals. • Establish strategies to monitor and address the long-term impact of the pandemic on the physical and mental health of pupils. • Create opportunities to take stock and evaluate the impact of policies and practices developed since the start of the pandemic to inform future ways of working and curriculum design.
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<p style="text-align: center;">Torfaen</p> 	<ul style="list-style-type: none"> • Improve the progress (ensure catch up) of all learners, with a particular focus on FSM and vulnerable learners at key stage 4 by ensuring LA services compliment and support regional provision. • Ensure all of Torfaen schools have a clear strategy for improving the quality of teaching and learning particularly in secondary schools to reduce within school variation so all pupils, including boys and vulnerable learners, make appropriate progress over time. • Ensure continued development and support for blended learning across all sectors in Torfaen. • Reduce the level of variability in the quality and impact of leadership at all levels in secondary schools in the authority to secure strong, sustained pupil outcomes.
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EAS Business Plan 2021/2022

The actions below have been developed in collaboration with our key partners, many of the actions have been refined from the originally agreed Business Plan 2020/2021 and the Revised Business Plan 2020/2021. This plan will be accompanied by a detailed delivery plan.

As noted above, the EAS will be sensitive and responsive to the changing priorities as a result of the pandemic and may need to change direction and repurpose priorities as required. The support will be made available to all schools and settings, there is an understanding that schools and settings are likely to be facing continuing challenges. It will be the decision of leaders to determine the most appropriate type and timing of at any of the support on offer in line with their priorities.

The content of this plan will continue to support the implementation of the priorities within the National Mission document and will seek to support the recommendations from Estyn's remit report: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020.

Priority A	Ensure that the wellbeing of practitioners and learners in schools and settings remains paramount. Regional professional learning will be provided to support the social and emotional needs of the workforce and learners.		
Link to National Mission	Enabling objective 3: Equity, excellence and wellbeing	Link to LA Strategic Priorities	BG,CCBC,NCC, TCC
Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:			
Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:			
<ul style="list-style-type: none"> R4 Establish strategies to monitor and address the long-term impact of the pandemic on the physical and mental health of pupils 			
What will the EAS do?			
<ul style="list-style-type: none"> Refine the regional Equity and Wellbeing Strategy (which encompasses strategies for all disadvantaged and vulnerable learners) to further develop multi-agency working, to build on the universal provision for all schools and settings. Enhance the regional wellbeing offer to practitioners and learners. Create an online interactive curriculum tool that captures the resources available to support schools in shaping their provision for Health and Wellbeing at a local and regional level. Provide a programme of professional learning to build the capacity within schools and settings to support learners with their emotional health and wellbeing based upon the principles of adverse childhood experiences. Support schools and settings to adopt the National Whole School Approach to Wellbeing and Mental Health. 			

Priority B	Provide bespoke support to schools and settings to address the impact of the pandemic on individual learners, as appropriate, in line with their improvement priorities.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 3: Equity, excellence and wellbeing	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:			

Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:

- R2 Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs
- R3 Develop a coherent approach to improve progress in literacy, numeracy and personal and social skills of vulnerable pupils disproportionately affected by the pandemic, for example pupils eligible for free school meals

What will the EAS do?

- Undertake professional dialogue with schools and settings to agree on school's improvement priorities and support.
- Work with schools and settings to develop a supportive regional approach to the development of a broad range of skills that is bespoke and flexible, ensuring learners receive the most approach provision to engage successfully in their continued learning.

Supporting a self-improvement system

- Refine the Challenge Adviser Role to reflect national model for school support identification and ensure key focus on support for school improvement.
- Identify lead schools and settings considering strengths in leadership capacity, curriculum design, learning culture and behaviour to support system wide improvement, including support for distance and blended learning.
- Broker school-to-school collaboration and cluster working.
- Refine the Learning Network Schools approach to reflect new and emerging service priorities.
- Develop a bespoke peer working model that builds mutual and reciprocal peer support to achieve increased levels of excellence across schools.
- Provide professional learning opportunities for schools, governing bodies and local authorities to understand the changing assessment and accountability arrangements within the reform agenda.

Supporting School Self Evaluation and Quality Assurance

- Further develop a broader range of evaluation criteria that do not focus solely on end of key stage outcomes but look at a wider range of school improvement information, including quality and effectiveness of distance and blended learning.
- Provide professional learning to all schools and settings to promote effective self-evaluation, improvement planning processes and effective strategies for formative and summative assessment.
- Further develop the regional approach of 'School on a page' so that a broader range of information is used for accountability purposes focused on pupils' wellbeing and attitudes to learning, the standards achieved, and progress made by all pupils including those in vulnerable groups, the quality of teaching and learning in schools and settings as well as the quality of leadership.
- Support Schools to effectively quality assure their processes for distance and blended learning.
- Establish mechanisms whereby schools may engage peers in the self-evaluation process to gain external perspective on improvement priorities including distance and blended learning.
- Support the continuing pilot of the national evaluation and improvement resource (NEIR) in identified regional schools as context dictates and ensure key learning is shared with all schools and settings.
- Further develop the use of pupil progress data at school level in line with national guidance taking into account the situation with the pandemic.
- Provide a comprehensive professional learning programme for elected members that supports the regional and national priorities around evaluation and quality assurance including distance and blended learning in order that they are able to hold schools to account more effectively.

Priority C	Continue to provide support to improve the quality of teaching and learning, including the continued use of, and evaluation of blended and distance learning approaches, particularly in identified secondary schools.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:			
Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to: <ul style="list-style-type: none"> R2 Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs 			
What will the EAS do?			
Teaching and Learning <ul style="list-style-type: none"> Provide a range of delivery models and access to a wider range of blended professional learning across all areas of learning to support schools to improve the quality of teaching and learning within and beyond the region. Use the established network of school practitioners to further enhance the regional website as a mechanism to share effective whole school strategies for teaching and learning, including distance and blended learning. Support schools to use a range of first-hand evidence to improve the quality of teaching and learning, including distance and blended learning through a modelled, shared and guided approach. Continue to work in partnership with key partners, to include Welsh Government and Higher Education Institutions to offer a programme of professional learning to develop staff proficiency in the Welsh language. Review the regional Welsh Language Strategy to ensure this addresses the regional and national priorities. Continue to support and work collaboratively with school leaders, as appropriate, to develop and refine whole school teaching and learning strategies, using a team around the school model. Continue to provide a range of strategies to support leadership of teaching and learning e.g., school to school, research informed approaches, virtual professional learning and networking opportunities. 			
Targeted support for the secondary phase (in addition to above) <ul style="list-style-type: none"> To ensure schools are made aware of key messages from WG and from QW and WJEC on the assessment process for awarding centre determined grades for 2021. To promote the sharing of practice between schools regionally and nationally. To support schools through the process of CDG awarding, as identified by the Design and Delivery Advisory Group and the QW/WJEC agreed process and to facilitate Professional Learning in key features of assessment for qualification, in partnership with other organisations as appropriate. Supporting schools to ensure that curriculum pathways provide an appropriate choice for all learners. Engage with Career Wales to design a programme that offers learners career advice from year seven onwards to map their flightpaths to their desired destinations. Design and facilitate national online resources to complement the middle leadership programme for more able and SEREN school leads. To support schools with Sixth Forms to have access to Russell Group Universities to support them with their SEREN learners. 			

- Collaborate with schools and other sectors to share and analyse outcome and destination data at key stage 5 for all groups of learners.

Priority D	Continue to provide support to leaders on the identification and support for specific groups of disadvantaged and vulnerable learners including those who have been disproportionality affected by the pandemic.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 3: Equity, excellence and wellbeing	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC

Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:

Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:

- R3 Develop a coherent approach to improve progress in literacy, numeracy and personal and social skills of vulnerable pupils disproportionately affected by the pandemic, for example pupils eligible for free school meals
- R4 Establish strategies to monitor and address the long-term impact of the pandemic on the physical and mental health of pupils

What will the EAS offer schools and settings?

Specific focus on improving the outcomes of Vulnerable Learners

- Implement the regional plan for Recruit, Recover and Raise Standards (RRRS) to provide appropriate support and guidance for identified learners to make progress.
- Design and facilitate professional learning for specialist teaching assistants in partnership with local authorities and settings.
- Evaluate the current range of enhanced curriculum opportunities funded via the pupil development and RRRS grants to share best practice across the secondary phase.
- Capture best practice of a range of curriculum offers that are provided in PRU and Special school settings.

Partnership Working: LA Inclusion Leads

- Implement a revised regional approach, as appropriate, to improve the monitoring and impact of the pupil development grant.
- Work in partnership with local authorities to analyse attendance and exclusions data for vulnerable and disadvantaged learners and support school leaders to share effective practice and to improve outcomes, as appropriate.
- Work in partnership with local authorities to analyse FSM and LAC data and provide additional advice and support for schools and settings who have an increase in these groups as a result of COVID.

Partnership Working: External Partners

- Continue to work in partnership with Challenge Education to support the 'RADY' network of schools engaged with the 'Raising the achievement of disadvantaged youngsters' programme.
- Commission and external evaluation of the impact of the RADY programme.

Partnership Working: ALN reform

- Work with local authority partners to explore and agree roles and responsibilities with regards to the EAS role in securing the effective regional provision for ALN.
- Support, as appropriate, the Regional ALN Transformation Officer to update stakeholders on ALN Reform and support the delivery of professional learning in line with the remit of the work of the EAS.

Targeted Support for Schools and Settings:

- Continue to provide support to school leaders on the identification and support for specific groups of disadvantaged and vulnerable learners including those who have been disproportionality affected as a result of COVID pandemic.
- Support schools to develop coherent approaches to improve progress in literacy, numeracy digital, and personal and social skills of vulnerable pupils and those learners disproportionality affected by the pandemic.
- Refine the current Teaching and Learning Strategy to include an annex supporting the teaching and learning of disadvantaged and vulnerable groups of learners.
- Work in collaboration with schools to provide resources to support learners from non-Welsh speaking homes in welsh medium provision who have been disproportionality affected by the pandemic.
- Extend the Vulnerable Learner Lead Programme through primary and secondary settings.
- Refine the grant planning system and the processes in place to support the planning, reviewing and evaluating of impact of expenditure in line with the research from the Education Endowment Foundation.
- Provide a programme of professional learning through a 'Train the Trainer' approach that provides the foundations of universal provision across all schools and settings. This will include strategy development and professional learning for disadvantaged and vulnerable groups of learners.
- Improve pupil voice and pupil participation across the region in partnership with the School and Super Ambassador Programme to influence school and regional priorities.
- Deliver a regional programme across all settings supporting More Able and Seren Learners.

Priority E	Provide professional learning, bespoke support, and guidance to schools to help them realise Curriculum for Wales.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 3: Equity, excellence and wellbeing	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC

Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:

Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:

- R2 Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs
- R5 Create opportunities to take stock and evaluate the impact of policies and practices developed since the start of the pandemic to inform future ways of working and curriculum design

What will the EAS do?

- Provide all schools and settings with access to the national professional learning programmes to support the implementation of the curriculum for Wales. Ensure that this professional learning reflects the priorities set out in the national implementation plan.
- Provide schools and settings with examples of effective school development actions for curriculum reform and provide bespoke support to schools and settings to implement these.
- Support settings to engage in the pilot of the non-maintained nursery curriculum, as appropriate.
- Encourage all schools and settings to be research informed by creating a network of lead enquirers to develop the capacity for professional enquiry in all schools.
- Review the regional Welsh language strategy in collaboration with school leaders and other partners, considering the findings for future delivery models.

- Encourage schools and settings to actively seek resources and experiences that support learners to understand the stories of different groups, including diverse and minority groups, and enable all learners to see themselves and their experiences and knowledge developed through the curriculum.

Priority F	Provide access to a range of regional and national professional learning, including access to coaching and mentoring, for all educational practitioners in schools and settings that is appropriate to their role and responsibility.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 3: Equity, excellence and wellbeing	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
What will the EAS do?			
<ul style="list-style-type: none"> In partnership with other regions and higher education institutions, provide a national mentoring and coaching programme to develop and support school leaders and governors. <p>Schools as Learning Organisations</p> <ul style="list-style-type: none"> Ensure all professional learning is underpinned by the principles of effective learning organisations and encourages schools to develop as effective learning organisations. Provide coordinated support to ensure all schools develop as effective learning organisations e.g., how to use the survey to inform school development priorities. Share case studies where schools and clusters are effectively developing as learning organisations. <p>Professional learning teaching assistants</p> <ul style="list-style-type: none"> Provide a virtual professional learning offer that supports teaching assistants whether new to the role, a practicing teaching assistant or as an experienced higher-level teaching assistant. Design and facilitate professional learning for specialist teaching assistants in partnership with local authorities, Special Schools and PRU's. <p>Professional Learning for statutory induction</p> <ul style="list-style-type: none"> Refine and develop a Nationally designed virtual induction professional learning offer to support all those who support the induction process including: Newly Qualified teachers, the school-based induction mentor, and the external verifier. Continue supporting early career teachers beyond the statutory induction period. Further strengthen partnership working with HEI institutions to offer joint induction support for early career entry. <p>Initial Teacher Education</p> <ul style="list-style-type: none"> Continue to work with higher education partners, cross regional partners and schools in developing and delivery of all routes into initial teacher education, as appropriate within the current arrangements. 			

Priority G	Consolidate, promote and further develop regional practitioner networks, enabling effective routes of communication and support.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:			

Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:

- R2 Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs
- R5 Create opportunities to take stock and evaluate the impact of policies and practices developed since the start of the pandemic to inform future ways of working and curriculum design

What will the EAS do?

- Review all existing networks to ensure all practitioners have access to relevant networking opportunities with colleagues within and beyond the region.
- In partnership with schools and settings continually review their capacity to support the wider system.

Priority H Continue to support the development of leaders at all levels in schools and settings.

Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 4: Evaluation, improvement and accountability	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
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Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:

Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:

- R2 Improve the quality of the distance and blended learning experiences for pupils by supporting more effective teaching across and within schools and PRUs
- R3 Develop a coherent approach to improve progress in literacy, numeracy and personal and social skills of vulnerable pupils disproportionately affected by the pandemic, for example pupils eligible for free school meals

What will the EAS do?

- Further develop the strategic approach to identifying and supporting the next group of leaders within the region.

National professional learning offer for leaders

- Provide a blended professional learning offer in partnership with higher education institutions and other regions to support leaders at all levels in all schools and settings through a nationally endorsed range of programmes: Middle leadership, senior leadership, aspiring headteacher / preparation for NPQH, NPQH, New and Acting headteachers, experienced headteachers.
- Work in partnership with local authorities to support school leaders to address the actions, as appropriate, contained within the Welsh in Education strategy and Cymraeg 2050: Welsh language strategy.

Identifying, recruiting and retaining effective leaders

- Identify aspirational leaders and provide them with bespoke professional learning and a range of leadership experiences that supports them to develop an individual professional learning journey, particularly within the Welsh medium and secondary sectors.
- Work with local authorities and governing bodies to explore a range of leadership models e.g. Executive headship
- Regional specialist HR will work with local authorities to review and revise senior leadership recruitment processes to include using evaluations from a range of stakeholders and professional learning for appointment panel members.

- In partnership with other regions and higher education institutions, provide a national mentoring and coaching programme to develop and support school leaders and governors.

Specialist HR

- Work with local authorities to complement existing education HR services and provide a range of specialist HR professional learning for school leaders and governors.

Priority I	Further build the capacity and capability of the knowledge and skills of governing bodies (as appropriate), through the regional professional learning offer and bespoke support.		
Link to National Mission	Enabling objective 1: Professional learning Enabling objective 2: Leadership Enabling objective 4: Evaluation, improvement and accountability	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
What will the EAS offer schools and settings?			
<ul style="list-style-type: none"> • Continue to refine the delivery of the Governor Support Service Level Agreement (2020-22), ensuring governing bodies are supported through timely, constructive guidance that enables effective governance. • Further develop professional learning for governors, including online materials, interactive and recorded workshops, regular briefings for all chairs of governing bodies, support for existing self-evaluation tools and the development of a cluster-based approach. • Provide focused professional learning for chairs and vice chairs of governing bodies in secondary schools, that supports them in addressing phase specific challenges. • Develop a pilot programme to develop coaching approaches for Chairs of Governors. • Provide opportunities for collaborative professional learning for school leaders and governors, encouraging and enabling peer support arrangements for governing bodies to refine and develop their capacity to support their schools. • Identify governors who can undertake additional roles within and beyond their own governing bodies, providing bespoke professional learning to strengthen and build capacity within the region. 			

Priority J	To further develop a culture around accountability that identifies and values a broad spectrum of characteristics of effective schools and settings.		
Link to National Mission	Enabling objective 2: Leadership Enabling objective 4: Evaluation, improvement and accountability	Link to LA Strategic Priorities	BG, CCBC, NCC, TCC
What will the EAS offer schools and settings?			
<ul style="list-style-type: none"> • Work collaboratively with a range of partners to develop a regional approach that identifies and values the characteristics of an effective school. • Identify a broader range of evaluation strategies that do not focus solely on end of key stage outcomes but looks at a wider range of school improvement information. • Provide a comprehensive professional learning programme for elected members that supports the regional and national priorities around evaluation and quality assurance including distance and blended learning in order that they are able to hold schools to account more effectively. • Determine the support arrangements for all schools in line with national guidance considering how regional consortia and local authorities can agree with the school the additional support it needs to improve and to build its own capacity to improve and considering specifically distance and blended learning. 			

Priority K	<ul style="list-style-type: none"> i. Embed the EAS internal evaluation model, continue to welcome external challenge and support and ensure the effective and efficient support to schools and settings. ii. Ensure the EAS adheres to legislative requirements and fully supports the wellbeing of staff.
Link to National Mission	<p>Enabling objective 1: Professional learning</p> <p>Enabling objective 2: Leadership</p> <p>Enabling objective 3: Equity, excellence and wellbeing</p> <p>Enabling objective 4: Evaluation, improvement and accountability</p>
Link to Estyn Recommendations: Local authority and regional consortia support for schools and PRUs in response to COVID-19 Update report from June to November 2020:	
<p>Recommendations for the Welsh Government to work with regional consortia, local authorities, and other partners and providers to:</p> <ul style="list-style-type: none"> • R5 Create opportunities to take stock and evaluate the impact of policies and practices developed since the start of the pandemic to inform future ways of working and curriculum design 	
What will the EAS do?	
<p>Business delivery model</p> <ul style="list-style-type: none"> • Continue to refine the business model for the EAS to ensure that it aligns to regional and national priorities and addresses the needs of schools and settings. • Maintain the credibility of the service using EAS core staff and the move to the school led system whilst ensuring effective provision and value for money. • Embed the EAS internal evaluation model, continue to welcome external challenge and support and ensure the effective and efficient support to schools and settings. • Ensure the EAS adheres to legislative requirements and fully supports the wellbeing of staff. • Use the Investors in People development programme to support service improvements. • Refine and enhance the communication and marketing strategy to ensure appropriate stakeholder engagement, to include the development of a regional pupil forum. • Continue to engage with other consortia and middle-tier organisations, such as Estyn, to realise efficiencies in programme development and delivery. • Support and advise local authorities, as appropriate, in the delivery of their statutory functions for SACRE and the development of individual Welsh in Education Strategic Plans. <p>Staff Development</p> <ul style="list-style-type: none"> • To maintain high levels of staff morale and wellbeing in the backdrop of reduced funding and the implementation of change management processes. • Continue to develop collaborative ways in which the EAS team contribute to and feel part of the decision-making processes and are recognised more systematically for their successes. • Provide access to coaching and mentoring support for all staff. • Maintain a high-quality, well informed, flexible and motivated workforce that represent the service values and vision. • Embed performance management processes and extend the professional learning opportunities for staff that meet individual and service needs. • Ensure all EAS staff are well informed regarding all aspects of the reform agenda. <p>Funding, Resourcing and Governance</p> <ul style="list-style-type: none"> • Work with key partners to deliver a more sustainable funding model that aligns with the workforce plan and secures an updated Collaboration and Members Agreement. • Continue to develop the regional grant mapping tool to enable more efficient and effective interrogation of data, impact capture and value for money at school, LA and regional level. • Continue to publish the regional grant allocations and maximise delegation rates to schools. • Refine the value for money model, further exploring access to comparative data. 	

- Managing a complex governance interface to ensure communication, satisfaction and engagement levels remain high.

Section 4: Ambitions for 2021/2022

Working in partnership with local authorities, schools and setting the ambitions for 2021/22 and beyond are challenging to capture without having clarity around the changing nature of the pandemic and the effect it will have on schools and settings. In this regard, the ambitions below need to be read within the context they have been derived:

- The EAS has placed wellbeing at the forefront of its work and has provided a range of professional learning to schools and settings that has provided support to the social and emotional needs of the workforce and learners.
- There is a clear strategy to improve the quality of distance and blended learning experiences for learners. There has been good engagement in the regional strategy and many opportunities have been provided for schools to share to develop more effective teaching across and within schools and settings.
- Schools and settings receive the right type of support, as appropriate to help them make appropriate progress against their school improvement priorities.
- Most schools can identify and provide the most appropriate support to specific groups of disadvantaged and vulnerable learners, including those who have been disproportionately affected by school closures, to help them to progress.
- A regional strategy developed in collaboration with practitioners provides a coherent approach to improve progress in literacy, numeracy, digital and personal and social skills of learners who have been disproportionately affected by the pandemic, for example pupils eligible for free school meals.
- The quality and impact of the provision for professional learning for educational practitioners and governors is good and those schools that have engaged are able to evidence the impact of this.
- Refined and extended networks ensure effective collaboration and communication to support school improvement.
- A range of professional learning and bespoke support provided to schools and settings helps them realise Curriculum for Wales.
- Working with schools and local authorities, a regional model of support will be developed and implemented, focusing on accurate self-evaluation using a broad range of characteristics, aligned to school improvement priorities.
- Evaluations of the impact of regional policies and practices developed since the start of the pandemic will be used to inform future ways of working and curriculum design.

Section 5: Delivery arrangements for 2021/2022

Governance and funding

The EAS is subject to a robust governance model that is underpinned by a Collaboration and Members agreement (CAMA) and Articles of Association. Ensuring that the EAS provides value for money is of utmost importance. As recipients of public funding, it is important that budgets are allocated wisely. We will endeavour to deliver even better value for money through achieving financial balance and delivering services within the constraints of our budget, making further efficiency savings wherever possible and ensuring delegation rates to schools are maximised.

How will the EAS held to account for the delivery and impact of this Business Plan?

The progress on the implementation and impact of the Business Plan will be reported formally at a mid-year basis to the Joint Executive Group and Company Board; this will include an evaluation of the regional plan and of each individual local authority annex document. These reports, as in previous years, will be suitable for scrutiny activity at local authority and national level. In addition, the progress made towards the implementation of key actions will be reported at each meeting of the Joint Executive Group and Company Board.

This year the EAS will report additional information on a termly basis, to both the Joint Executive Group and local authorities around the progress and impact of its work in support of each local authority strategic objective and their related success criteria and the progress schools are making towards their individual targets. This approach will be aligned to the national changes in the accountability system.

Throughout the year there will be many interim impact reports associated with the implementation streams within the Business Plan which will be reported through each of the governance groups, though individual LA committees (as requested) and though evaluation and improvement events with Welsh Government officials, These include: reports on pupil outcomes and progress, progress on schools causing concern, regular updates on outcomes/impact from regional / local authority self-evaluation activity and regional strategies, feedback from external reviews, annual regional value for money report, Managing Director's Annual Report, outcomes from regional school and governor surveys.

The financial accounts are reported to both the company board on a quarterly basis and through the Audit and Risk Assurance Committee on a termly basis. The final year end accounts are externally audited and reported in line with the 2016 UK Corporate Governance Code. In compliance with the Companies Act these accounts are reported and approved at the Annual General Meeting by the Joint Executive Members who are shareholders of the EAS.

Consortium funding

The EAS is funded on an annual basis from three sources: Local authority core contributions, regional school improvement grants and a service level agreement for governor support services. A spending plan accompanies the Business Plan which is intrinsically linked to all actions contained within it. A detailed overview of the regional distribution of all grants is available for all schools to view and compare allocations and rates of delegation through the regional grant monitoring tool.

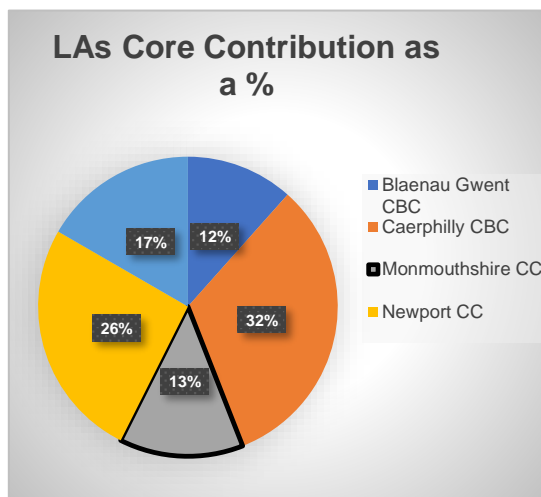
Delegation rates to schools has increased to 94.4% whilst the EAS staff profile has reduced by 53.1% since 2012.

Local authority contributions 2021/2022

Local authority funding for consortium working is underpinned by the National Model for Regional Working, published by the Welsh Government in 2014. The model recommended a core funding allocation of £3.6m for the EAS. The current LA core contribution is based on these figures less year

on year efficiencies of £1.23m since 2012 agreed in collaboration with the 5 local authorities. The local authorities' indicative figures for 2021/22 are as follows:

Local Authority	£
Blaenau Gwent CBC	£351,806
Caerphilly CBC	£985,591
Monmouthshire CC	£405,844
Newport CC	£787,227
Torfaen CBC	£506,028
Total	£3,036,496



In terms of the above £0.796m of this figure is used to secure capacity within the EAS team from current serving headteachers and schools and £0.2m of this figure is used to secure service level agreements and venue costs sourced through local authorities.

Regional school improvement grants

The Collaboration and Members Agreement (CAMA) details the procedure that needs to be followed for all school improvement grants received into the region. All grants are approved by local authority Chief Education Officers / Directors of Education with a follow up ratification from JEG members.

Grant Name (To be updated when information on grants is received from Welsh Government)	Grant Total	Amount delegated to schools	Delegation* Rate	Regionally Retained
	Indicative Calculation 2021/22			
	£	£		£
Regional Consortia School Improvement Grant (RCSIG)				
- Education Improvement Grant	tbc	tbc	tbc	tbc
- Professional Learning for Teachers	tbc	tbc	tbc	tbc
- Other grant initiatives	tbc	tbc	tbc	tbc
Pupil Development Grant (PDG)	tbc	tbc	tbc	tbc
PDG (Lead Regional PDG Adviser)	tbc	tbc	tbc	tbc
Seren Pre 16	tbc	tbc	tbc	tbc
Seren Post 16	tbc	tbc	tbc	tbc
Total	TBC	TBC	TBC	TBC

*Delegation: This refers to funding which gives freedom of choice to a school in how it is used. It must however be spent in accordance with, and in the spirit of, the core purpose of the grant and the individual school development plan.

Governor Support Service Level Agreement

The EAS has responsibility for providing a Governor Support service to all schools in the region. The service provides support to school governing bodies, headteachers, and individual governors. This includes advice, guidance, training, and an optional clerking service to support governing bodies to deliver their responsibilities.

The optional clerking service is provided through an annual service level agreement with an option to buy into a clerking service and then additionally a statutory committee clerking service. Only two schools opted not to buy into the clerking service in 2020/21. The indicative funding for 2021/22 is £0.387m.

Section 6: Additional supporting documents

This Business Plan is supported by the following documents:

- Local Authority Annex documents 2021 – 2022
- Detailed Business Plan 2021–2022
- Regional Grant Mapping Overview 2021–2022 (to follow once detailed received from WG)
- Regional Self-Evaluation Report (Executive Summary)
- EAS Risk Register (Executive Summary)
- Regional Professional Learning Offer 2021–2022
- Local Authority Strategic Education Plans

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**SUBJECT: REVENUE & CAPITAL MONITORING 2020/21
FORECAST OUTTURN STATEMENT – MONTH 9**

MEETING: CABINET

DATE: 3rd March 2021

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 To provide Members with an updated forecast of the revenue and capital outturn position for the current financial year.
- 1.2 To provide an update on the financial impact of COVID-19 on the Council.

2. RECOMMENDATIONS:

- 2.1 That Cabinet recognises a net revenue forecast non-COVID surplus at month 9 of £142k that represents an improvement of £660k since month 7, primarily as a result of the positive action taken during the financial year in curtailing non-essential expenditure and through cost reductions.
- 2.2 That Cabinet requires senior officers to continue to bare down on all costs for the remainder of the year and wherever possible seek to take advantage of grant monies that materialise late in the year to further increase the year end surplus and in doing so afford Cabinet headroom for policy choice and that includes strengthening the Council's limited reserve and useable capital receipt balances to meet future financial challenges.
- 2.3 That Cabinet can be reasonably assured based on continued dialogue with Welsh Government and funding received to date that all associated and eligible income losses and cost pressures will be funded noting:
 - a) A total net revenue forecast deficit at month 9 of £5.15m, an improvement of £1.28m from month 7 and inherent within which is a forecast deficit of £5.28m that is directly associated with the extraordinary financial pressures attached to COVID-19;
 - b) That since the budget forecasts have been produced for month 9 that Welsh Government has notified the Authority that a further sum of £2.02m will be made available to the Authority relating to claims made to the Hardship fund to cover additional expenditure incurred in December 2020 and income losses incurred during quarter 3 of the financial year, and that will in turn reduce the £5.28m COVID-19 related forecast deficit to £3.26m. A further £1.53m is also expected to be received for items claimed but not yet approved pending further clarification being provided to Welsh Government.

- 2.4 In taking the approach set out above, Cabinet recognises the extraordinary nature of the current year and accepts that significant recurring services pressures have been incorporated into the ongoing budget setting process for financial year 2021/22 unless otherwise mitigated.
- 2.5 Cabinet notes the extent of forecast movements in Schools reserve usage contained in **appendix 1**.
- 2.6 Cabinet considers the forecast capital outturn spend of £22.38m alongside significant slippage of £40.45m, and the presumptions made around the financing consequences, as outlined in **appendix 1**.

3. KEY ISSUES:

- 3.1 Since entering 2020 the Council has faced significant and unprecedented challenges, notably the flood response and recovery resulting from Storms Ciara and Dennis in February 2020 and the subsequent COVID-19 pandemic and the impact of the lockdown restrictions that were put into effect on 23rd March 2020.
- 3.2 Each of these draws significantly on the Council's resources, both in terms of capacity and finances and continues to place an unprecedented strain on the Council. That all said the previously reported non-COVID-19 over spend has now moved into a forecast saving of £142k saving. This has largely resulted from the action taken during the financial year in curtailing non-essential expenditure and through cost reductions recognising the significant and continued financial pressure on the Authority as a result of the pandemic.
- 3.3 Since the month 9 forecast was produced a number of Welsh Government funding announcements have been made and that have resulted in additional specific revenue and capital grant awards. These grant awards are being worked through to ascertain the direct impact that will have on improving the outturn position. Along with senior officers continuing to bear down on cost this will afford Cabinet headroom for policy choice and that includes strengthening the Council's limited reserve and useable capital receipt balances to meet future financial challenges.
- 3.4 **Table 1** and **Table 2** demonstrate a total net overspend forecast at year end of £5.15m.
- 3.5 This forecast comprises forecast COVID-19 income losses of £4.17m and additional costs of £1.11m offset by the small forecast non-COVID-19 saving of £142k.
- 3.6 It is important to note that forecast overspend of £5.15m is presented on a prudent basis in so much that it displays a worst case scenario that does not take into account any of the further Welsh Government funding anticipated to meet the additional costs of the COVID-19 emergency response or further reimbursement of income losses that have equally resulted.
- 3.7 Since the budget forecasts have been produced for month 9 Welsh Government has notified the Authority that a further sum of £2.02m will be made available to the Authority

relating to claims made to the Hardship fund to cover additional expenditure incurred in December 2020 and income losses incurred during quarter 3 of the financial year, and that will in turn reduce the £5.28m forecast deficit to £3.26m. A further £1.53m is also expected to be received for items claimed but not yet approved pending further clarification being provided to Welsh Government.

- 3.8 As the financial year has progressed the Council has been given clearer commitments of the proposed Welsh Government support and significantly the announcement of further funding for local authorities in August 2020 to supplement funding that had already been provided to assist with meeting income losses and additional costs brought about by the pandemic. Dialogue has continued throughout the financial year with Welsh Government and Cabinet can now be reasonably assured that all such COVID related pressures will be funded.
- 3.9 The Council tactically generated headroom of £1.8m in its Council Fund balance as part of the outturn strategy for 2019/20. Whilst this remains to assist with any under recovery in funding from Welsh Government, the increased comfort around Welsh Government funding means that this provides the Council with the flexibility to reserve this sum to respond to the financial pressures over the medium term.
- 3.10 The immediate focus for the Council whilst it awaits confirmation of full compensating funding from Welsh Government is to manage the significant in year service pressures it is facing, notably within the areas of Waste, Passenger Transport, Additional Learning Needs and Children's Services. To date this has been managed through cost reduction and in taking immediate steps to curtail non-essential expenditure alongside approving the capitalisation of an additional £675k of identified eligible expenditure to be funded from capital receipts under the flexible use of capital receipts directive.
- 3.11 It is inevitable that the Council will face significant financial challenges during the recovery phase of the pandemic as demands on services change in light of a severely altered socio-economic landscape. Alongside this there will continue to be risks associated with Welsh Government support funding being reduced or stopped. It is therefore important that any resulting surplus on the revenue budget is provisionally earmarked to strengthen the Council's limited reserve and useable capital receipt balances to meet those future financial challenges.

3.12 Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 9

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Social Care, Health & Safeguarding	50,685	(170)	50,515	51,823	1,308	1,707	(399)
Children & Young People	55,539	534	56,073	56,159	86	125	(39)
Enterprise	24,132	(1,530)	22,602	26,431	3,829	4,617	(788)
Chief Executives Unit	4,745	4	4,749	4,745	(4)	62	(66)
Resources	7,746	30	7,776	8,163	387	193	194
Corporate Costs & Levies	22,743	229	22,972	22,985	13	42	(29)
Net Cost of Services	165,590	(903)	164,687	170,307	5,620	6,746	(1,126)
Appropriations	4,857	1,163	6,020	5,756	(264)	(163)	(101)
Expenditure to be Financed	170,447	260	170,707	176,062	5,355	6,583	(1,228)
Financing	(170,447)	(260)	(170,707)	(170,915)	(208)	(157)	(51)
Net General Fund (Surplus) / Deficit	0	0	0	5,147	5,147	6,426	(1,279)

Table 2: Council Fund 2020/21 Outturn Forecast Detailed Statement at Month 9

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	7,877	(55)	7,822	7,760	(62)	180	(242)
Children Services	14,428	(63)	14,365	15,798	1,433	1,460	(27)
Community Care	24,434	30	24,464	24,523	59	(4)	63
Commissioning	1,483	(65)	1,418	1,312	(106)	(103)	(3)
Partnerships	436	0	436	436	0	0	0

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Public Protection	1,481	(14)	1,467	1,450	(17)	178	(195)
Resources & Performance	546	(3)	543	544	1	(4)	5
Social Care, Health & Safeguarding	50,685	(170)	50,515	51,823	1,308	1,707	(399)
Individual Schools Budget	47,420	(356)	47,064	46,630	(434)	(316)	(118)
Resources	1,234	10	1,244	1,247	3	14	(11)
Standards	6,885	880	7,765	8,283	518	427	91
Children & Young People	55,539	534	56,073	56,159	86	125	(39)
Business Growth and Enterprise	2,468	(168)	2,300	2,238	(62)	(50)	(12)
Facilities & Fleet Management	5,665	(1,266)	4,399	5,321	922	1,222	(300)
Neighbourhood Services	10,483	(26)	10,457	10,957	500	783	(283)
Planning & Housing	1,951	(133)	1,818	3,063	1,245	993	252
Countryside & Culture (MonLife)	1,348	(8)	1,340	1,461	121	82	39
Finance & Business Development (MonLife)	1,507	116	1,623	1,580	(43)	(107)	64
Leisure, Youth & Outdoor Adventure (MonLife)	710	(45)	665	1,811	1,146	1,694	(548)
Enterprise	24,132	(1,530)	22,602	26,431	3,829	4,617	(788)
Legal & Land Charges	839	(6)	833	806	(27)	40	(67)
Governance, Democracy & Support	3,906	10	3,916	3,939	23	22	1
Chief Executives Unit	4,745	4	4,749	4,745	(4)	62	(66)
Finance	2,597	(63)	2,534	2,573	39	173	(134)
Information, Communication Technology	2,803	135	2,938	2,507	(431)	(431)	0

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
People	1,725	50	1,775	1,663	(112)	(68)	(44)
Future Monmouthshire	(46)	(25)	(71)	12	83	82	1
Commercial & Corporate Landlord	667	(67)	600	1,408	808	437	371
Resources	7,746	30	7,776	8,163	387	193	194
Precepts & Levies	20,379	1	20,380	20,382	2	2	0
Coroner's	117	0	117	152	35	23	12
Archives	182	0	182	182	0	0	0
Corporate Management	293	0	293	62	(231)	(192)	(39)
Non Distributed Costs (NDC)	492	0	492	707	215	215	0
Strategic Initiatives	(167)	228	61	0	(61)	(61)	0
Insurance	1,447	0	1,447	1,499	52	55	(3)
Corporate Costs & Levies	22,743	229	22,972	22,985	13	42	(29)
Net Cost of Services	165,590	(903)	164,687	170,307	5,620	6,746	(1,126)
Fixed Asset Disposal Costs	20	45	65	71	6	6	0
Interest & Investment Income	(252)	0	(252)	(90)	162	162	0
Interest Payable & Similar Charges	4,020	27	4,047	3,716	(331)	(230)	(101)
Charges Required under Regulation	6,251	(108)	6,143	6,062	(81)	(82)	1
Other Investment Income	(1,153)	1,153	0	(14)	(14)	(14)	0
Borrowing Cost Recoupment	(3,425)	50	(3,375)	(3,381)	(6)	(5)	(1)
Contributions to Reserves	143	0	143	143	0	0	0
Contributions from reserves	(747)	(4)	(751)	(751)	0	0	0
Appropriations	4,857	1,163	6,020	5,756	(264)	(163)	(101)

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Expenditure to be Financed	170,447	260	170,707	176,062	5,355	6,583	(1,228)
General Government Grants	(64,823)	0	(64,823)	(64,823)	0	0	0
Non Domestic Rates	(32,937)	0	(32,937)	(32,937)	0	0	0
Council tax	(79,572)	(260)	(79,832)	(80,199)	(367)	(385)	18
Council Tax Benefit Support	6,885	0	6,885	7,044	159	228	(69)
Financing	(170,447)	(260)	(170,707)	(170,915)	(208)	(157)	(51)
Net General Fund (Surplus) / Deficit	0	0	0	5,147	5,147	6,426	(1,279)

3.13 As the Council continues to transition from the response phase of the pandemic it is important that Cabinet is kept informed as impacts are being assessed.

3.14 The Council was already facing financial challenges pre-COVID-19. The pandemic has accentuated the challenge:

- Services and existing capacity has been redirected and redeployed to ensure that the Council met its core purpose of protecting life. This has seen additional unbudgeted costs being incurred.
- Many income generating services have had to stop in order to comply with UK and Welsh Government guidance. The income loss and shortfall is significant and ongoing.
- There is delay in the implementation of some budget savings proposals for 2020/21 as a result of staff resources being diverted to respond to the pandemic.

3.15 This report provides a 'point in time' assessment and forecast for 2020/21. The revenue and capital annual forecast at month 9 is shown in **appendix 1**. The forecasts have been prepared on assumptions that remain uncertain. The forecasts have been supplemented by an analysis of pressures including those that are thought without suitable mitigation to impact on 2021/22. This is shown in **appendix 2** and have helped inform the budget setting process for 2021/22.

3.16 The table below provides a high level analysis of how the £5.15m reasonable worst case forecast outturn is broken down between the in-year pressures resulting from the COVID-19 pandemic and the forecast position on the Councils core budget.

	Overall M9 Forecast	Variance to M7	M9 Due to Covid-19 Expenditure Increase	Variance to M7	M9 Due to Covid-19 Income Loss	Variance to M7	M9 Due to Non-Covid-19 (Core Budget)	Variance to M7
Social Care, Health & Safeguarding	1,308	(399)	0	0	0	(177)	1,308	(222)
Children & Young People	86	(39)	(58)	(8)	60	(10)	79	(21)
Enterprise	3,830	(787)	627	(337)	2,983	(619)	220	169
Chief Executives Unit	(4)	(65)	0	(29)	20	(30)	(24)	(6)
Resources	387	195	385	65	1,107	595	(1,105)	(465)
Corporate Costs & Levies	12	(31)	0	0	0	0	12	(31)
Appropriations	(264)	(101)	0	0	0	0	(264)	(101)
Financing	(209)	(53)	159	(70)	0	0	(368)	17
Total	5,146	(1,280)	1,113	(379)	4,170	(241)	(142)	(660)

3.17 The principal in-year non Covid-19 pressures are:

- A significant pressure within Children's Services relating to a continued increase in the number of looked after children (LAC) cases carrying over from 2019/20 and after the budget was approved.
- The 2.75% pay award being much higher than the original 1% budget assumption built into the budget and where it had been expected that Welsh Government funding would be forthcoming.
- Pressures remaining within the Passenger Transport Unit (PTU) and that continue to be worked on as part of the PTU review and where implementation has been impacted by the pandemic.
- Pressures in waste & recycling as a result of delays in the rollout of waste reconfiguration and changes.
- Income pressures relating to Civil parking enforcement where savings targets cannot be met.
- A shortfall against additional commercial income targets as a consequence of the impact of COVID-19 and the current level of market and economic uncertainty which may not be funded by Welsh Government.
- As result of the late receipt of the final settlement from Welsh Government and the disappointment of there being no funding floor introduced, the remaining efficiency savings that were left to be identified during the financial year.

- 3.18 As the financial year has progressed significant forecast budget savings have been identified and added to the budget forecast to mitigate those pressures outlined above. **Appendix 2** provides an analysis of both the significant forecast pressures and savings, the assumptions upon which they are based as well as the risks and sensitivities that apply.
- 3.19 It is important to note that the majority of the savings identified during year to assist the in-year budget recovery are one-off savings and will not bring any further benefit to future year's budgets. Conversely, the majority of those pressures highlighted above are recurrent pressures and have been considered as part of the wider budget process for 2021/22 and beyond.
- 3.20 The key risk and uncertainty continues to be the amount of compensatory Welsh Government funding that the Council will receive. Announcements by both Welsh Government and UK Government have been made and have confirmed significant levels of commitment to support local authorities.
- 3.21 We are grateful to Welsh Government for the funding that has been provided to Welsh Councils to cover costs to date and that we anticipate could potentially meet the income shortfalls forecast for the remainder of the year. Similarly, recent Welsh Government funding specific grant funding announcements that are not featured in this month 9 forecast and that again will assist the Council in strengthening its outturn position and in turn its limited reserve and useable capital receipt balances.
- 3.22 Beyond Welsh Government funding of in year pressures, assessment will also need to be undertaken of reserve balances and available capital receipts as part of budget setting for 2021/22. Clearly this will require a review of the Council's existing reserve strategy and regard will not only need to be given to the current year situation but also to the medium and long term. Reserve balances are finite and act as only a limited buffer to fund one-off costs.

4. OPTIONS APPRAISAL

- 4.1 This report provides an update on the current financial situation and the challenges facing the Council now and over the medium term. It has been prepared at a time of great uncertainty as the Council still transitions from the emergency response phase of the COVID-19 pandemic towards a period of recovery.
- 4.2 The outturn forecast that has been prepared for consideration is predicated on assumptions that have been independently assessed by budget holders and subsequently reviewed as part of the budget monitoring process. These assumptions don't look to represent a policy position that Cabinet is looking to take on when services are re-opening. Rather they represent a reasoned assessment of the impact on services in year based on known information, anticipated future changes and estimates.
- 4.3 **Appendix 2** provides an analysis of the significant forecast pressures and summarises the assumptions upon which they are based as well as the risks and sensitivities that apply.

This has been produced to aid understanding of the forecast and assumptions upon which it has been based.

- 4.4 By far the greatest uncertainty that exists is the level of Welsh Government funding to be received to offset additional costs incurred in responding to the COVID-19 emergency response and the significant income losses that have resulted where services have ceased as a result of the lockdown restrictions in place. However, this risk has diminished as a result of funding received to date and the significant amount of further funding still available to local authorities in Wales via Welsh Government's COVID Hardship Fund.

5. EVALUATION CRITERIA

- 5.1 This forecast outturn report represents an assessment of the forecast for the 2020/21 financial year based on nine months of data. More so than ever the combination of the impact of the COVID-19 pandemic and the fact that it is only part way through the financial year, and combined with the uncertainties on the level of Welsh Government funding support, means that a level of risk uncertainty should be attributed to the forecast.
- 5.2 However, there is an increasing level of comfort that Welsh Government funding will meet additional costs and losses of income brought about by the response to and the impact of the pandemic. However, this continues to represent a risk that will only be mitigated by monthly and quarterly submissions to Welsh Government being agreed. And furthermore and beyond those impacts resulting from COVID-19 there exists a number of significant cost pressures that need to be managed regardless.
- 5.3 The Council has recently maintained formal reporting to Cabinet at month 2 (period 1), month 5 (period 2) and outturn, with more frequent budget monitoring information being undertaken at a departmental level and reported to management and the Strategic Leadership Team. Only where circumstances necessitate it is more frequent formal reporting to Cabinet required.
- 5.4 As a result of the significant financial challenges facing the Council there will be a more frequent reporting of the in-year revenue and capital outturn forecast. Formal reporting will take place at months 2, 5, 7, 9 and outturn. There will be no formal reporting of the month 11 outturn forecast as the financial year-end will have already taken place by the time the report has been prepared.
- 5.5 The update of the Medium Term Financial Plan (MTFP) and the development of the budget proposals for 2021/22 and the medium term have been challenging. Welsh Government confirmed their provisional funding settlement on the 22nd December 2020 with the final settlement due to be announced on 2nd March 2021. As a result of the late notification of funding, the final budget proposals for 2021/22 will not be considered by Cabinet until the 3rd March 2021.
- 5.6 There is also further uncertainty given that the UK Government has only undertaken a one-year Comprehensive Spending Review which consequently does not enable Welsh Government to provide any additional certainty around indicative budget settlements for Welsh local authorities in future years. The Council also waits on the Chancellor's Spring budget announcement and any impacts, beneficial or adverse, that this might have for Welsh Government when considering additional funding support for local authorities during 2021/22.

6. REASONS:

- 6.1 To ensure that the gravity of the financial challenges facing the Council are understood and that reasonable actions are being taken to safeguard the ongoing financial sustainability of the Council.
- 6.2 To provide a timely update on the current financial circumstances and challenges resulting from the COVID-19 pandemic and that will in turn lead to the Council needing to plan and plot a revised course to ensure it remains financially sustainable into the future.

7. RESOURCE IMPLICATIONS:

- 7.1 The resource implications of the current in-year forecast outturn are contained in this report and the attached appendices. At its worst the forecast outturn exhibits an over spend of £5.15m. Welsh Government COVID-19 support funding is expected to cover the majority of this although it remains unclear as to how far that will extend, though levels of confidence have increased significantly given Welsh Government commitments throughout the year.
- 7.2 The financial challenges facing the Council and resulting from the COVID-19 pandemic are significant in the current year and over the next 4 years of the MTFP. Not just for this Council but all councils across Wales and the UK. The Council is having to incur significant costs in its response effort and this will continue as it transitions towards recovery. Furthermore and resulting from the restrictions that UK Government and Welsh Government have had to put in place to contain the spread of the virus we are suffering significant shortfalls in our income levels. Some of these will return more quickly than others as services are able to be safely turned back on.
- 7.3 In terms of how the Council will respond to the challenges faced in the current year and over the medium term this will very much depend on the level of compensating funding received from Welsh Government and the flexibilities afforded to Welsh local authorities to spread the impact over more than one financial year. We are grateful to Welsh Government for the funding that has been provided to Welsh Councils to cover costs to date and that we anticipate could potentially meet the income shortfalls forecast for the remainder of the year.
- 7.4 The Council is working on the basis that it will be fully funded by Welsh Government. However, there is clearly a risk that this will not happen and beyond this there are significant non COVID-19 pressures being managed. Options to mitigate these risks are limited with recourse to draw on the Council Fund, specific earmarked reserves and useable capital receipts. However each of these are at historically low levels and only just above prudent minimum levels.
- 7.5 The more immediate steps have been to curtail non-essential expenditure. Going forward more targeted and planned cost reductions will be challenging and the Council will as always look to minimise impact on service delivery. Though this cannot be guaranteed and is expected if Welsh Government funding falls short of expectations.

7.6 There are resultant consequences for the MTFP and the budget process for 2021/22 and these have been developed in parallel and feed into the normal budget cycle and process.

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

8.1 This report provides Members with information on the revenue and capital outturn position of the Authority and carries no decisions. There are therefore no equality of future generations' implications directly arising from this report.

8.2 Any such impacts will be fully considered subsequently when Council receives the budget recovery plan and revised budget proposals.

9. CONSULTEES:

Senior Leadership Team
Cabinet

10. BACKGROUND PAPERS:

Appendix 1 – Revenue and capital forecast Outturn report – month 9

Appendix 2 – Pressure analysis – assumptions, sensitivities and risks

11. AUTHORS:

Peter Davies, Chief Officer for Resources
Jonathan Davies, Acting Assistant Head of Finance (Deputy S151 officer)

12. CONTACT DETAILS:

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Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 9

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Financing	(170,447)	(260)	(170,707)	(170,915)	(208)	(157)	(51)
Net General Fund (Surplus) / Deficit	0	0	0	5,147	5,147	6,426	(1,279)

Table 2: Council Fund 2020/21 Outturn Forecast Detailed Statement at Month 9

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Commissioning	1,483	(65)	1,418	1,312	(106)	(103)	(3)
Partnerships	436	0	436	436	0	0	0
Public Protection	1,481	(14)	1,467	1,450	(17)	178	(195)
Resources & Performance	546	(3)	543	544	1	(4)	5
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Finance & Business Development (MonLife)	1,507	116	1,623	1,580	(43)	(107)	64

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Leisure, Youth & Outdoor Adventure (MonLife)	710	(45)	665	1,811	1,146	1,694	(548)
Enterprise	24,132	(1,530)	22,602	26,431	3,829	4,617	(788)
Legal & Land Charges	839	(6)	833	806	(27)	40	(67)
Governance, Democracy & Support	3,906	10	3,916	3,939	23	22	1
Chief Executives Unit	4,745	4	4,749	4,745	(4)	62	(66)
Finance	2,597	(63)	2,534	2,573	39	173	(134)
Information, Communication Technology	2,803	135	2,938	2,507	(431)	(431)	0
People	1,725	50	1,775	1,663	(112)	(68)	(44)
Future Monmouthshire	(46)	(25)	(71)	12	83	82	1
Commercial & Corporate Landlord	667	(67)	600	1,408	808	437	371
Resources	7,746	30	7,776	8,163	387	193	194
Precepts & Levies	20,379	1	20,380	20,382	2	2	0
Coroner's	117	0	117	152	35	23	12
Archives	182	0	182	182	0	0	0
Corporate Management	293	0	293	62	(231)	(192)	(39)
Non Distributed Costs (NDC)	492	0	492	707	215	215	0
Strategic Initiatives	(167)	228	61	0	(61)	(61)	0
Insurance	1,447	0	1,447	1,499	52	55	(3)
Corporate Costs & Levies	22,743	229	22,972	22,985	13	42	(29)
Net Cost of Services	165,590	(903)	164,687	170,307	5,620	6,746	(1,126)

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-9	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M9	Forecast (Under) / Over Spend @ M7	Variance from M7 to M9
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Fixed Asset Disposal Costs	20	45	65	71	6	6	0
Interest & Investment Income	(252)	0	(252)	(90)	162	162	0
Interest Payable & Similar Charges	4,020	27	4,047	3,716	(331)	(230)	(101)
Charges Required under Regulation	6,251	(108)	6,143	6,062	(81)	(82)	1
Other Investment Income	(1,153)	1,153	0	(14)	(14)	(14)	0
Borrowing Cost Recoupment	(3,425)	50	(3,375)	(3,381)	(6)	(5)	(1)
Contributions to Reserves	143	0	143	143	0	0	0
Contributions from reserves	(747)	(4)	(751)	(751)	0	0	0
Appropriations	4,857	1,163	6,020	5,756	(264)	(163)	(101)
Expenditure to be Financed	170,447	260	170,707	176,062	5,355	6,583	(1,228)
General Government Grants	(64,823)	0	(64,823)	(64,823)	0	0	0
Non Domestic Rates	(32,937)	0	(32,937)	(32,937)	0	0	0
Council tax	(79,572)	(260)	(79,832)	(80,199)	(367)	(385)	18
Council Tax Benefit Support	6,885	0	6,885	7,044	159	228	(69)
Financing	(170,447)	(260)	(170,707)	(170,915)	(208)	(157)	(51)
Net General Fund (Surplus) / Deficit	0	0	0	5,147	5,147	6,426	(1,279)

DIRECTORATE – DIVISION VARIANCE COMMENTS

SOCIAL CARE, HEALTH & SAFEGUARDING	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,630	1,448	1,707	1,308	

SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY:

The month 9 directorate forecast outturn for 2020/21 shows an overspend of £1.308m, a £399k decrease since M7, as a result of £260k Winter pressures funding from Health to contribute towards increased in house care at home costs and a recent change in Welsh Government approach to funding 100% lost Registrars income. At month 9 our Children Looked After numbers stand at 218, a reduction of 4 since M7. Of the overspend, £346k is as a result of the pressure from the additional 1.75% unfunded staff pay award, £242k unachievable 2% staff efficiency saving and accounting for the Social Care Workforce and Sustainability Grant from Welsh Government of £984k.

The Adult Services division is forecasting an underspend of £109k as a result of Health Winter Pressures funding of £260k towards increased care at home costs. This area of the directorate has also benefitted in year from the Social Care Workforce and Sustainability (SCWS) grant and Intermediate Care Funding (ICF), with the SCWS grant of circa £1m to continue in 2021/22, and ICF having a planned termination date of 31st March 2022.

Children's Services has a predicted overspend of £1.434m, a £26k reduction since the reported M7 forecast. This element of the directorate received a significant injection as part of the 2020/21 budget allocation, however, this was based on CLA numbers at that time being 197. Since the budget for 2020/21 was set, the service had a further influx of children to 219 at the end of 2019/20, and present count CLA stands at 218 and legal costs still remain at a predicted overspend of £238k.

Public Protection continues to strive to remain within its budget. The Public Protection budget has been helped by a recent change in Welsh Government, funding the loss of Registrars income to tune of 100%, resulting in a shift from a £177k overspend at M7, to a predicted small underspend of £17k at M9.

ADULT SERVICES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	24	156	180	(62)	0

Expenditure is above budget due to the additional 1.75% pay award, not achieving the 2% staff efficiency saving and additional spend in the care at home service. However, recently agreed funding from Health of £260k has benefitted the budget and brought the forecast at M9 to a slight underspend overall.

CHILDREN SERVICES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,575	1,459	1,460	1,433	0

£1m overspend in providing care and placements for our 218 Looked After Children, £238k overspend in legal costs and the remaining overspend as a result of continued use of agency staffing which currently stands at 6 being employed plus the increased staff pay award.

COMMUNITY CARE					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(63)	(209)	(4)	60	0
Mainly on budget but this is being held up by a circa £1m SCWS grant.					
COMMISSIONING					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'s	(118)	(63)	(103)	(106)	0
Ongoing vacant Commissioning Officer post and realignment of Service Level Agreements and Contracts, but reduced by increased staff pay award					
PARTNERSHIPS					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	0	0	0	0
No variances					
PUBLIC PROTECTION					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'s	211	109	177	(17)	0
Reflects recent change in Welsh Government policy on recovering lost income and deciding to fund 100% loss in Registrars income.					
RESOURCES & PERFORMANCE					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1	(5)	(4)	0	0
No variances					

CHILDREN & YOUNG PEOPLE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	84	19	125	87	
CHILDREN & YOUNG PEOPLE DIRECTOR'S COMMENTARY:					
<p>The month 9 forecast for the CYP directorate shows an overspend of £87k, this is primarily due to the pressures in ALN which amount to £608k which is an increase of £130k from the month 7 forecast. This clearly remains a concern for the directorate and is an area of focus to reduce the costs where possible.</p> <p>The offsetting underspends are as a result of an over provision for the rates for the new Monmouth Comprehensive School, having recently received the final statement there is a saving of £82k. In addition to this a Welsh Government grant of £101k to support the teacher's pay award, the full pay award has already been funded to schools and therefore this grant will be held centrally. Early years is underspent by £150k as a result of lower payments to schools and early year's settings for rising 3's due to the current situation.</p>					
INDIVIDUAL SCHOOLS BUDGET					

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(264)	(316)	(434)	0
Increase in underspend of £118k is due to a saving against the Monmouth Comp Rates forecast					
RESOURCES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	37	22	14	3	0
Decrease in costs is due to vacancy savings					
STANDARDS					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	47	261	426	518	0
<ul style="list-style-type: none"> Recoupment increased by (income received from other LA's) (£296,000) Independent placement costs overspent by £225,000 Other LA placement costs overspent by £206,000 Additional support for pupils attending our schools overspent by £525,000 Underspend on early years (rising 3's) due to school closure (£150,000) Overspend on breakfast clubs £52,000 <p>Within the overspend of £525,000 relating to the additional support for pupils attending our own schools, £200,000 relates to additional funding for the additional learning needs units in Overmonnow (£100k) and Monmouth Comprehensive (£100k). Both these units are able to accommodate more MCC pupils, resulting in less pupils needing to be educated either in independent or other LA schools. While this has resulted in an over spend, the fees paid for the other schools would have resulted in the overspend being higher.</p> <p>Included in the independent placement costs is £108,000 relating to the three remaining pupils at Mounton House School, this cost has been transferred from Mounton House to support this.</p> <p>Breakfast clubs have seen a reduction in numbers since re-opening following the Summer Term lockdown, which has led to a reduction in income.</p>					

ENTERPRISE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	5,950	5,113	4,617	3,829	
ENTERPRISE DIRECTOR'S COMMENTARY:					
<p>The Enterprise and MonLife Directorate is forecasting an outturn position of £3,829m adverse at month 9. This is an improved position since Month 7 and the details of these changes are provided in more detail within the next sections of this report.</p> <p>The impact of COVID-19 continues to be significant across all of the services with both a loss of income and additional costs incurred to operate critical front line services during the pandemic. In addition to the direct impacts of the pandemic service areas have identified pressures where budget savings have not been implemented or ongoing pressures continue to affect services.</p>					

Each service area sets out the detail behind these projections in the next sections of this report and the key financial issues and implications that have arisen since COVID-19 and lockdown commenced. The loss of income for MonLife, grounds maintenance, private hire in home to school transport, car parking and trade waste is significant. It is not anticipated that these income streams will be restored fully within this financial year and assumptions have been built into the forecast to account for when the services reopen and recommenced.

Due to the school closure's there has been a direct impact upon the income within schools catering, home to school transport and outdoor education and with the current lockdown, ongoing social distancing and COVID-19 requirements this will have a long term impact on these services. There are also significant increased costs across the directorate, for example, there are additional resource requirements to operate services whilst complying with social distancing within building cleaning, highways, waste services and grounds maintenance as examples.

Across all Services, we continue to ensure that all eligible additional costs and income losses are being claimed against any Welsh Government funding being made available. Since month 7 a number of service areas have been able to report an improved position as WG has confirmed that costs or income losses can be covered by the support grants available due to COVID.

BUSINESS GROWTH & ENTERPRISE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	46	29	(50)	(62)	0

Business Growth & Enterprise is forecasting a £62k underspend, this can be split down to the following :-

- Abergavenny Borough Theatre – Break-even.
- Youth Enterprise - £15k underspend due to offsetting core staff costs with grant funding.
- Communications - £4k underspend due to improved income.
- Community & Pship Development - £21k underspend, this is mainly due to staff savings as we have been able to passport core costs to grant funding.
- Enterprise Mgt - £17k overspend due to unfunded pay award.
- Strategic Projects - £40k underspend mainly due to staff savings as we have moved costs relating to collaboration to capital as part of capitalisation directive.

FACILITIES & FLEET MANAGEMENT

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,339	1,097	1,222	923	0

Facilities & Fleet Management is forecasting to overspend by £923k – the services within this area have been heavily impacted by the Covid 19 outbreak.

- **Catering** - £489k overspend. Paid meal uptake has been impacted by the closure of schools this year due to Covid so income generation has been minimal. In addition we are also experiencing pressure on our free school meal budget, the number of pupils entitled to FSM have risen from 1,390 to 1,640. There is no additional budget provision for this so if we have 100% uptake between now and year end our income from paid meals will reduce further. We are anticipating that all income losses will be funded by the WG income loss grant.

- **Building Cleaning** - £19k underspend. Forecasted income levels remain similar to last year so we are anticipating an underspend against budget. The level of cleaning within our buildings and schools has had to be increased due to Covid requirements, the extra cleaning hours will be covered by the WG hardship fund so the additional cost has not been included in the forecast. In addition the service has received a schools cleaning grant which has helped cover the increased costs linked to the more expensive chemicals needed to kill COVID.
- **Passenger Transport** - £255k overspend, due in the main :-
 - Private Hire & Service 65 - £20k loss of private hire income as we anticipate no private hires, school trips etc. for the rest of the year. This has reduced considerably from Month 7 as WG have agreed to fund the lost income from the support grant, we anticipate that this will be fully funded by year end so no impact on revenue outturn.
 - School Transport Operations - £262k overspent, combination of historic staff pressure c/fwd from 19-20 and estimated additional hours required to cover new covid transport arrangements and additional staffing required to cover recent contract hand backs, this has been part offset by additional Bus Emergency Payment grant and is the reason for the £139k improvement from Month 7.
 - Commissioning - £28k underspend, due to :-
 - Staff vacancies.
 - A 25% reduction in contractor payments during Covid lockdown periods.
 - Offset by, the cost of covering contract hand backs - due to the low number of available operators within the surrounding area we are finding that replacing contracts are coming at price premium, due to Covid 19 contracts have had to be split and additional vehicles put on to cover.
- **Fleet Maintenance** - £196k overspend, due to:-
 - The unit is incurring additional vehicle maintenance costs due to the authority's fleet increasing in number due in the main to Covid requirements.
 - Increased depot maintenance.

A reduction in members of the Green Car scheme has hit savings (£6k).

NEIGHBOURHOOD SERVICES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,456	1,153	783	500	0

Neighbourhood services is forecasting to overspend by £500k – the services within this area have been heavily impacted by the Covid 19 outbreak.

- Highways & Street Lighting - Forecasting a £72k underspend. This is due to a saving in Street Lighting as electricity price increases were less than budgeted and due to KWH savings from energy efficient lamp replacement, there is also a one-off saving as we will only see a part year loan repayment in 20-21. Highways Operations and Swtra are currently forecasting to Break-Even.
- Waste & Street Scene - £572k overspend – This can be broken down into 2 main areas:-
 - Waste Services - £557k overspend due to:-
 - Staff Costs overspending by £75k due to the need to bring in more resource to cope with the impact of Covid19. This forecast assumes social distancing measures will continue until financial year end.

- Vehicle Hire & running costs increasing by £15k – extra vehicles have been brought in to help with social distancing of workforce, as above we expect this to continue until year end.
 - External Income reducing by £68k – The lockdown has meant that trade income and re-use shop income will not hit budget.
 - Non-Covid related pressures - £389k – due to abeyance of Usk CA site closure (£30k), pressure caused by no budget increase for contracts and fuel inflation and the delayed roll out of polyprop bags. In addition the volatility in the recycling market due to Brexit and Covid continue to impact negatively on treatment and disposal costs for recycling and waste materials. This has been part offset by savings in project staff vacancies.
- Grounds Maintenance – £14k overspend – the service has been greatly affected by the Covid outbreak, grounds staff and vehicles were initially redeployed to help in the waste service so external income generation has been affected. The majority has been covered off by WG income grant and is the reason for the positive swing from Month 7.

Both services have benefitted in quarters 1 and 2 from WG covid funding to cover lost income and additional spend and we are hopeful that this will continue for the remainder of the year. The forecast above assumes no further grant so if we do receive more then the position will improve.

PLANNING, HOUSING and Highways Dev & Flooding

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,011	1,067	993	1,245	0

Planning, Housing and Highways Dev & Flooding is forecasting to overspend by £1,245k.

- **Planning & Building Control** - £199k net overspend mainly due to shortfalls in planning income and building control fees as a result of Covid lockdown.
- **Planning Policy** - £178k underspend, due to £128k of RLDP costs being moved to the capitalisation directive and an underspend of £50k of professional and specialist fees costs due to delays in the LDP.
- **Housing** is forecasting a £575k overspend, main areas include :-
 - A £527k overspend relating to housing our homeless in line with WG policy:-
 - B&B costs are expected to overspend by £263k.
 - We are estimating Emergency hostel increases of £230k due to additional security measures.
 - Increased private rental costs of £45k as more accommodation is required as a result of homelessness issue.
 - It is anticipated that all of the above will be covered by the WG Covid Hardship fund.
 - Reduced income in Renovation grants as covid lockdown has impacted fees (£50k).
 - A £13k underspend in Careline due to a decrease in supplies & Services.
- **Car Parking, Highways Development & Flooding** - £649k overspend. Main areas:-
 - Car Parks overspending by £839k – Pay & display and Parking Enforcement income has been affected by the Covid lockdown and we are anticipating a £750k shortfall on our income budget, in addition we have increased costs in rates, transport and supplies and services of £89k. We are anticipating that the income shortfall will be funded by WG grant.

- Highways Development & flooding underspending by £189k – this is mainly due to staff vacancies across the department where the decision has been made to freeze vacant posts to help with recovery of car park overspend.

(MONLIFE) Countryside & Culture

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	42	40	81	121	0

Countryside & Culture is forecasting a £121k overspend. This is predominately down to lost income from event cancellations, postponement of workshops and shop closures in Museums and Learning due to the impact of closing sites due to Covid. In addition we have incurred additional costs as a result of flooding and is the reason for the swing from Month 7.

(MONLIFE) Finance & Business Development

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(118)	(150)	(106)	(43)	0

Finance & Business development is forecasting to underspend by £43k. There has been lost income due to covid closures at Tintern Station and Caldicot Castle of £70k but this has been offset by staff underspends across the services as posts have been purposely held vacant. There has been additional costs for museum and catering consultants (£40k), these were not factored in at Month 7 and is the main reason reduction in underspend.

(MONLIFE) Leisure, Youth & Outdoor Adventure

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	2,173	1,877	1,694	1,146	0

Leisure, Youth & Outdoor Adventure is forecasting a £1,146k overspend.

Leisure Centre closures due to Covid lockdown rules has impacted income generation and with the further closure in December we are now forecasting a £1,097k overspend. **Outdoor Adventure** is forecasting a £69k overspend. Both sites have been closed since March and we do not expect them to re-open for residential accommodation visits until January with anticipated income at a fraction of original budget. The overspend has reduced from M7 as we have received qtr1 and Qtr2 income loss grant from WG

The **Youth & Community Team** is reporting a £20k underspend due to staff vacancies.

The department has benefitted in quarter 1 and 2 from WG covid funding to cover lost income and additional spend and we are hopeful that this will continue for the remainder of the year. The forecast above assumes no further grant so if we do receive more then the position will improve.

CHIEF EXECUTIVES UNIT	Month 2	Month 5	Month 7	Month 9	Outturn
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Deficit / (Surplus) £'000s	187	144	63	(4)	
LEGAL & LAND CHARGES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	78	92	40	(27)	0
<p>Legal - £46k underspend - this is mainly as a result of staff savings due to the employment lawyer post not being filled. In addition an improvement in external income alongside WG income loss support has ensured that the income pressure reported earlier in the year has now been covered off, and is the reason for the improvement from M7.</p> <p>Land charges – £19k overspend - this is due to a reduction in search income as a result of uncertainty in the market caused by Covid-19. Income has improved on early year predictions and qtr3 figures have come in higher than expected so we can report a reduction in forecast overspend from month 7.</p>					
GOVERNANCE, DEMOCRACY & SUPPORT					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	109	52	23	23	0
<p>The Community Hubs sections is forecasting to overspend by £10,000 this is due to over spends in Usk Post Office as this budget area is not being completely funded and therefore running at a loss and insufficient budget for Gilwern Library. This is offset in part by savings across some of the other hubs due to a decrease in spend on supplies and services.</p> <p>The Contact Centre is reporting a £29k overspend, this is due to a proposed budget saving that can no longer be delivered and is now reflected as a pressure in the 21-22 budget model.</p> <p>The Corporate Section is forecasting to overspend by £12k, this is due to an overspend relating to supplies and services and a copyright licencing fee.</p> <p>The Democratic Services Section is forecasting to underspend by £48,000, this is due to underspends in supplies and services mainly due to Members working from home.</p> <p>Policy and Partnerships is forecasting to overspend by £19k, this is mainly due to an increase in Welsh Language Translation costs.</p>					

RESOURCES	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	782	694	192	387	
RESOURCES DIRECTOR'S COMMENTARY:					
<p>Whilst the COVID-19 pandemic has adversely impacted front line services the directorate has equally suffered significantly but in different ways. The forecast over spend of £387k is in part offset by vacancy savings and notably where senior finance posts and property posts are not being filled. This is not a sustainable position and will not be a permanent feature.</p> <p>There is a significant pressure of £494k that centres itself on forecast increases in housing benefit claims, and that includes B&B claims for homeless people, and which doesn't attract full subsidy from</p>					

DWP. Funding is being sought from Welsh Government's COVID-19 Hardship Fund to meet this pressure.

The directorate is also suffering income shortfalls as a consequence of the COVID-19 pandemic, with shortfalls in summons income, in Raglan training centre, Markets and with shortfalls in budgeted commercial income.

The additional overall pressure identified since month 7 of £195k can largely be attributed to the forecast rental income from commercial investments reducing further as the pandemic continues to have a huge impact on the leisure & retail industry. Losses to date have been covered by the WG Covid support fund and we anticipate this will continue through to year end so that the overspend should not have an adverse impact on the revenue outturn position.

This remains an evolving and dynamic situation that is under constant review and every effort is being made to curtail non-essential spend in recognition of the directorate and whole authority pressures.

FINANCE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	137	189	173	39	0

Finance - £254k underspend - as a result of senior Finance staff vacancies and maternity leave. This forecast currently assumes replacement for vacant posts won't be in place until April 21.

Audit - £51k underspend due to staff savings as we have funded collaboration costs through capital as part of capitalisation directive (£36k) and savings due to maternity leave (£14.5k).

Revenues - £533k overspend. The outturn has been heavily impacted by Covid:

- **Benefits** - £494k overspend. The Covid 19 pandemic continues to put this budget under considerable pressure. Welsh Government guidance requires councils to ensure that no one is sleeping rough. As a consequence the number of B&B claims for housing benefit continue to rise. Not all this expenditure qualifies for housing benefit subsidy, which is resulting in continually increasing budget pressure. We have now been given the go ahead to claim some of these costs under the Covid 19 Hardship Fund, which will bring the net over spend down when next reported.
- **Council Tax** - £105k overspend. This is mainly due to a 57k over spend against salary costs as budget has been moved as part of the Resources restructure, this has been offset by underspends in finance above. Plus £79k anticipated shortfall in summons income. This has been part offset by a £31k underspend in general supplies & Services. The planned court went ahead in January 2020 so we do now expect to receive some summons income this year (hence the improvement in forecast between months 7 and 9).
- **Charity Relief** - £169k underspend. The forecast assumes money allocated to support businesses is fully spent this year, although it is yet to be committed. We have also now received £220,000 funding from Welsh Government for the administration of the Business Support Grants. The cost shown here are for additional staff costs incurred. The costs for officers seconded into the grant team and increased banking fees etc. are held within the service departments.
- **Debtors** - £19k underspend – this is due to a staff vacancy saving, due to the financial impact of covid19 the decision has been made not to fill this post.
- **Systems & Cashiers** - £66k underspend – main reasons relate to software and system development savings and security carrier costs as activity is down due to Covid shutdown.

INFORMATION, COMMUNICATION & TECHNOLOGY

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	40	(128)	(431)	(431)	0

The ICT section is forecasting a £431k underspend. This is due to :-

- Savings within SRS, they are currently predicting a £52k underspend on our contribution for 20-21 and are also holding MCC specific reserves totalling £70k - we have requested that these be passed back to us this year.
- A £309,000 saving within our digital programme office as we have passported staff costs that relate to digital transformation to capital as part of the capitalisation directive.

PEOPLE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(2)	6	(68)	(112)	0

- **People Services** - £25k underspend, this is due to staff savings of £27k as posts have only been filled part way through the year offset by £3 shortfall on training income (although we are expecting this to be covered by WG funding).
- **Organisational Development** - £63k underspend, this is mainly due to staff savings as we are transferring staff costs involved with service transformation to capital as part of the capitalisation directive.
- **Customer Relations** - £24k underspend due to a reduction in professional fees and staff secondment savings.

FUTURE MONMOUTHSHIRE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	112	112	82	82	0

Future Monmouthshire - £82k overspend. £112k of Corporate Agency and travel savings have been built into the budget for 20-21 – currently these are deemed unachievable or are being achieved within directorate budgets and are thus contained in their respective forecasts. This has been offset by staff savings of £30k as we are covering secondment costs of a member of staff from WG.

COMMERCIAL & CORPORATE LANDLORD

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	495	515	437	808	0

Commercial & Corporate Landlord is forecasting a £808k overspend:-

- **Investment Properties** is forecasting a combined overspend of £836k, this can be split into 3 areas:-
 - **Investment Assets other** - £200k overspend, our MTFP for 20-21 included a £200k saving to reflect additional income from the purchase of more investment properties. Currently (and in part due to Covid) there are no further purchases in the pipeline this year so this saving is unachievable.

- **Newport Leisure Park** - £801k overspend. Rental income has reduced dramatically as the pandemic continues to have a huge impact on the leisure & retail industry. The majority of the units at the site fall under this category so have had to close again as per government guidelines, because of this we are anticipating that rental receipts for this year will be minimal. Officers are working with tenants to provide support and advice so they are ready to re-open when they are allowed and we intend to recover as much income as possible, but we will be also be looking to WG to cover the remaining loss as part of their Covid support fund so the overspend should not have an adverse impact on the revenue outturn position.
- **Castlegate** - £165k underspend. We have benefitted from a one-off windfall of £113k as Alder King have paid over tenant loan repayments that they were holding on our behalf, in addition consultant and insurance cost forecasts have been revised downwards and is the reason for the improvement from Month 7.

• **Estates** - £105k over spend. This is mainly due to income not reaching budgeted levels due to 3 issues 1) vacant space in Magor means rental income is down, 2) the budget assumed income from the creation of a development company, this has not happened yet 3) our service charge income is down as we are yet to come to an agreement with BAM. All 3 total a shortfall of £244k. In addition we have seen increased costs in maintenance, utilities and Software totalling £23k. This is currently being offset by net staffing savings of £153k due to vacant posts only being filled part way through the year and receipt of WG income funding for the lost rental at Magor office.

• **Solar Farm & Sustainability**- £97k underspend - even though we have seen ROC unit prices fall due to the drop-off in demand due to Covid lockdown we are still generating a surplus on renewables so our income is exceeding budgets. We are also seeing small underspends in rates, maintenance and professional fees.

• **County Farms** - £7k overspend, mainly due to rates increases.

• **Cemeteries** - £32k overspend mainly due to increased maintenance work on trees and boundary walls. We have seen less burials due to COVID rules but we are confident that income will remain at 19/20 levels.

• **Markets** - £110k overspend. This is mainly due to income loss as turnover has been affected by the Covid shutdown and an increase in waste collection charges, but this is offset by staff savings of £32k due to the delayed appointment of the Deputy Markets manager.

• **Industrial units** - £39k overspend mainly due to a reduction in rental income.

• **Property Services & Facilities Mgt** is forecasting a £227k underspend, made up as follows:-

- Property & Office Services are forecasting a combined underspend of £107k, this is mainly due to staff savings as some vacant posts will not be filled until later than originally anticipated or frozen until start of next year and a reduction in supplies & Services.
- Property Accommodation is forecasting to underspend by £110k. The main reason for this is due to savings in maintenance and utilities costs as offices have been closed or in limited operation due to Covid19.
- Telephony is forecasting to underspend by £10k as contracted call charges are expected to come in below budget.

CORPORATE COSTS & LEVIES	Month 2	Month 5	Month 7	Month 9	Outturn
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Deficit / (Surplus) £'000s	1,480	66	43	12	
PRECEPTS & LEVIES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	2	2	2	2	
Small overspend on National parks levy of £2k due to notification of levy late in the budget process.					
CORONERS SERVICES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	23	23	23	35	
An increase in workload and staffing requirements along with DDA compliance works will lead to a forecast £35k overspend against budget.					
CORPORATE MANAGEMENT					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(114)	(191)	(231)	
Primarily due to the forecast receipt receivable on the final dissolution of Capita Gwent Consultancy alongside rate refunds on Authority owned premise's which were not known about until mid-way through the year.					
NON DISTRIBUTED COSTS					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	108	108	215	215	
Additional pension strain costs relating to redundancies. Strain costs relate to staff who retire before their normal pension age and where the employer is required to top up the pension fund to cover the shortfall in contributions. The majority of these costs would not have been known about at budget setting stage due to the uncertainty over the timing, value and individual pension implications of redundancies.					
STRATEGIC INITIATIVES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,300	0	(61)	(61)	
The budgets held for incremental pay pressure (£420k pressure) and cross directorate efficiency savings (£359k saving) are to remain centrally and not be distributed to service budgets.					
INSURANCE					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	47	46	56	53	

An overspend is currently forecast against the premium budget based on the results of the Insurance renewal and the increase in costs for the period Oct 2020 to April 2021 due to the worsening of claims experience. The flooding events led to a significant property claim at Monmouth LC and Covid19 has led to significant travel claims relating to cancelled school trips.

APPROPRIATIONS	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(77)	(83)	(163)	(263)	
FIXED ASSET DISPOSAL COSTS					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	25	6	6	
Costs forecast over and above the current budget due to unforeseen surveys and studies relating to disposal sites.					
INTEREST & INVESTMENT INCOME					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	163	181	162	162	
The forecast rate of return achievable following the Covid19 pandemic has reduced significantly from budgeted levels as the UK Government refines its economic response. This has also impacted forecast returns on Property and combined funds which are propping up the current returns. Government deposits have largely returned 0% and have at times given a negative rate of return on deposits, especially when taking into account transaction fees.					
INTEREST PAYABLE & SIMILAR CHARGES					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(126)	(164)	(230)	(330)	
In October 2019 the PWLB took the unprecedented step of increasing its borrowing margin across the board by 1% in reaction to increased levels of borrowing by Local Authorities to fund commercial investments. This resulted in PWLB borrowing being uneconomic when compared to short term borrowing sourced from other public bodies and consequently the Authority's approach has been modified resulting in lower borrowing costs in the short term. PWLB has since reversed this decision but longer term rates continue to remain unattractive in the near term until capital spending plans are firmed up. Rates remain low on inter local authority borrowing further reducing costs.					
CHARGES REQUIRED UNDER REGULATION					
Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(113)	(113)	(82)	(82)	

A high level of slippage in the capital programme has resulted in some assets not being operational by 31/03/2020 and consequently the MRP charge for those assets being deferred by at least one year.

OTHER INVESTMENT INCOME

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(1)	(12)	(14)	(14)	

Unexpected recoupment following the final winding up of Heritable bank which had previously defaulted.

BORROWING COST RECOUPMENT

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	0	(5)	(6)	

Small variance in recoupment from service budgets.

FINANCING	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	336	20	(156)	(209)	

COUNCIL TAX BENEFIT SUPPORT

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	336	324	229	159	

This budget continues to be under particular pressure, as a direct result of Covid 19. Since the beginning of the year caseloads has increased and now stands at around 6,094 cases (caseload at the end of March 2019 was 5,721). Since the month 7 forecast was prepared, Welsh Government has released further funding for quarter two taking the total received to date to £169,000. This has helped to bring the forecast down. Hopefully this funding will continue through to quarters 3 & 4 which will help to bring this budget closer to a balanced position.

COUNCIL TAX

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	0	(305)	(385)	(368)	

The position is largely the same as reported at month 7. The in year collection rate is down by 1.6% compared to the same time last year, which is a slight improvement on the 2.2% drop reported at month 7. Our court date is scheduled for January 2021 for formal recovery action to start up again. The council tax base is healthy, although it has dropped slightly from month 7 (hence the forecast drop) as the number of discounts awarded has increased.

2. SCHOOLS

- 2.1. A Board of Governors who are responsible for managing the school's finances directly governs each of the Authority's Schools. 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 for each Educational Cluster.
- 2.2. The monitoring earlier in the year at month 2 included a surplus balance of £206,518 for Mounton House. As the school has now closed this balance has been transferred into central education budgets, of which, £107,000 has been used to support the placement costs for the 3 remaining MCC pupils and the remaining £100,000 has been used to offset the overspend in CYP. Included in the table below are the total balances excluding Mounton House for comparison.

Draft Council Fund Outturn 2020/21 – School Balances Summary outturn position at Month 9	(A) Opening Reserves (Surplus) / Deficit Position 2020/21	(B) Draw / (Contribution) from / (to) School Balances @ Month 2	(C) Draw / (Contribution) from / (to) School Balances @ Month 5	(D) Draw / (Contribution) from / (to) School Balances @ Month 7	(E) Draw / (Contribution) from / (to) School Balances @ Month 9	(A+E) Forecast Reserve Balances at 2020/21 Outturn
	£000's	£'000	£'000	£'000	£'000	£'000
Cluster						
Abergavenny	(118)	84	(316)	(299)	(311)	(429)
Caldicot	160	98	81	18	(111)	49
Chepstow	24	250	235	205	186	211
Monmouth	518	(32)	(98)	(129)	(221)	297
Special	(149)	(26)	180	193	188	39
Total	435	374	82	(13)	(269)	166
Total Excluding Mouton House	607	409	(91)	(185)	(441)	166

- 2.3. Collective School Balances at the beginning of the financial year amounted to a £435,000 deficit. The Schools month 2 forecast anticipated draw on reserves was £374,000, which resulted in a forecast deficit balance of £809,000. At month 5, the forecast deficit balance had improved by £293,000 taking the deficit to £517,000. It should be noted, that the Governors of King Henry VIII Comprehensive School have requested a Local Authority Loan of £250,000 and this was approved and reflected in Month 5 figures. At month 7, the forecast deficit balance had improved by a further £95,000 taking the deficit to £422,000. At month 9, the forecast deficit balance has improved by a further £256,000 taking the overall forecast deficit to £166,000.

2.4. The movement of individual schools forecast to be in deficit is shown below:

Start of year	Month 2	Month 5	Month 7	Month 9
Total: 17	Total: 14	Total: 12	Total: 13	Total: 12
Caldicot Comprehensive	Caldicot Comprehensive	Caldicot Comprehensive	Caldicot Comprehensive	Caldicot Comprehensive
Chepstow Comprehensive	Chepstow Comprehensive	Chepstow Comprehensive	Chepstow Comprehensive	Chepstow Comprehensive
King Henry VIII Comprehensive	King Henry VIII Comprehensive	**		
Monmouth Comprehensive	Monmouth Comprehensive	Monmouth Comprehensive	Monmouth Comprehensive	Monmouth Comprehensive
Llandogo Primary	Llandogo Primary	Llandogo Primary	Llandogo Primary	Llandogo Primary
Llantilio Pertholey CIW Primary				
Magor CIW Primary				
Osbaston CiW Primary	Osbaston CiW Primary	Osbaston CiW Primary	Osbaston CiW Primary	Osbaston CiW Primary
Overmonnow Primary			Overmonnow Primary	Overmonnow Primary
Pupil Referral Service	Pupil Referral Service	Pupil Referral Service	Pupil Referral Service	Pupil Referral Service
Raglan CiW Primary	Raglan CiW Primary			
Rogiet Primary				
St Mary's RC Primary	St Mary's RC Primary	St Mary's RC Primary	St Mary's RC Primary	St Mary's RC Primary
	The Dell Primary School	The Dell Primary School	The Dell Primary School	The Dell Primary School
Thornwell Primary	Thornwell Primary	Thornwell Primary	Thornwell Primary	
Undy Primary	Undy Primary	Undy Primary	Undy Primary	Undy Primary
Ysgol Gymraeg Y Fenni	Ysgol Gymraeg Y Fenni	Ysgol Gymraeg Y Fenni	Ysgol Gymraeg Y Fenni	Ysgol Gymraeg Y Fenni
Ysgol Gymraeg Y Ffin	Ysgol Gymraeg Y Ffin	Ysgol Gymraeg Y Ffin	Ysgol Gymraeg Y Ffin	Ysgol Gymraeg Y Ffin

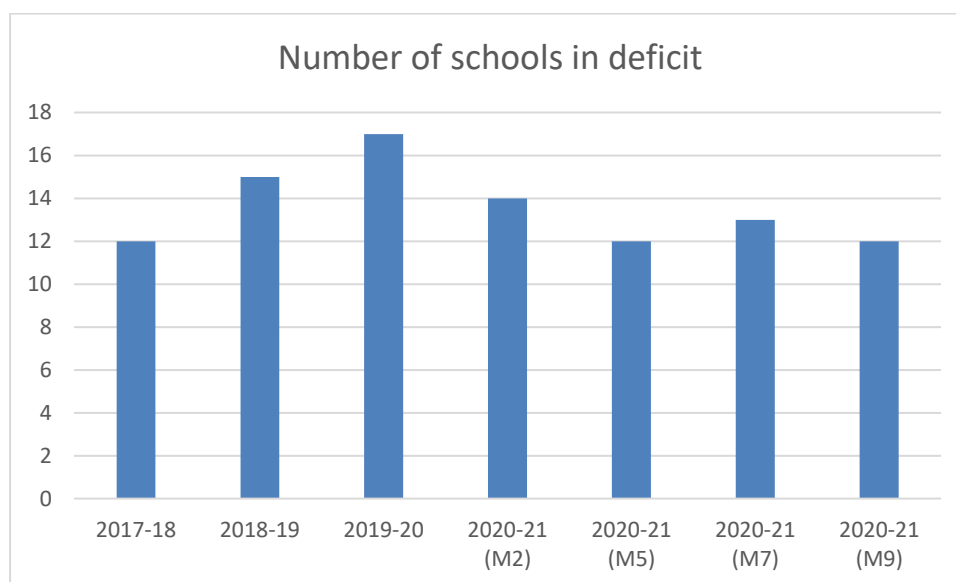
** King Henry VIII Comprehensive School forecast balance at month 5 onwards includes a Local Authority loan of £250,000, which is estimated to result in a surplus year-end balance.

2.5. All schools in a deficit budget have, or are in the process of agreeing recovery plans. These recovery plans will be confirmed with both the Local Education Authority and each School's Governing Body. Once finalised the schools with significant deficits will be monitored by the Cabinet member for Children and Young People and Resources on a termly basis.

2.6. Total 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
2014-15	(1,140)
2015-16	(1,156)
2016-17	(269)
2017-18	(175)
2018-19	232
2019-20	435
2020-21 (Forecast)	166

2.7. However, set against this and as referenced above the number of schools in deficit is forecasting to reduce as the financial year progresses illustrated by the following table. This provides some overall comfort that recovery plans are taking effect.



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.

3 CAPITAL OUTTURN

3.1 The summary forecast Capital position at Month 9 is as follows:

Forecast Capital Outturn Position 2020/21 at Month 9

Select Portfolio	Slippage B/F	Original Budget	Budget movements	Forecast Slippage	Revised Budget 2020/21	Forecast at M9	Variance	Variance at M7
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Expenditure								
Children & Young People	1,245	14,423	655	(14,333)	1,990	1,990	0	0
Economic & Development	17,496	3,068	30	(18,148)	2,446	2,446	0	0
Adult	300	5,678	0	(5,978)	1	1	0	0
Strong Communities	5,801	10,139	4,146	(1,991)	18,094	17,937	(157)	0
Total Expenditure	24,842	33,308	4,830	(40,448)	22,532	22,375	(157)	0
Financing								
Supported Borrowing	0	(2,417)	0	0	(2,417)	(2,417)	0	0
General Capital Grant	0	(2,423)	0	0	(2,423)	(2,423)	0	0
Grants and Contributions S106	(393)	(18,229)	(4,125)	16,727	(5,720)	(5,563)	157	0
Contributions	(1,052)	0	0	148	(904)	(904)	0	0
Unsupported Borrowing	(22,546)	(5,275)	0	22,272	(5,549)	(5,549)	0	0
Reserve & Revenue Funding	(239)	(2)	0	0	(241)	(241)	0	0
Capital Receipts	(612)	(3,462)	(705)	1,301	(3,478)	(3,478)	0	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0	0
Total Financing	(24,842)	(33,308)	(4,830)	40,448	(22,532)	(22,375)	157	0

3.2 The capital expenditure forecast outturn at month 9 shows a small adverse variance due to a forecast reduction in ATF grant funding for Caldicot Church Road Connections. This does not result in a financial impact on the Authority.

3.3 The outbreak of the COVID-19 pandemic has caused significant disruption to the progress of budgeted capital schemes with forecast slippage at Month 9 totalling £40.45m (£37.50m at month 7). The Covid-19 impact is affecting both internally and externally managed projects, with disruption to external supply chains, increased contract risk and potential inflationary cost pressures sitting alongside internal resourcing pressures.

3.4 The forecast slippage is broken down as follows:

Scheme	Forecast Slippage Month 2 (000's)	Forecast Slippage Month 5 (000's)	Forecast Slippage Month 7 (000's)	Forecast Slippage Month 9 (000's)
Asset Investment fund		18,142	18,142	18,118
Tranche 'B' Future Schools			12,484	13,421
Crick Road Care Home	5,978	5,978	5,978	5,978
County Hall 'J' block		544	544	544
21 st Century Schools Team				525
Access for All				390
School Refurbishment				300
Abergavenny Borough Theatre Works				236
Council Chamber refurbishment & IT upgrade		200	200	200
Sewage Treatment Works				200
Section 106 schemes		131	78	148
Abergavenny Community Hub development				47
Property schemes		229	74	138
Other schemes				203
Total	5,978	25,224	37,500	40,448

3.5 Useable Capital Receipts Available

3.6 In the table below, the effect of the changes to the forecast capital receipts at Month 9 on the useable capital receipts balances available to meet future capital commitments are illustrated. There is also a comparison to the balances forecast within the 2020/24 MTFP capital budget proposals.

	2020/21 £000	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Balance as at 1st April	3,207	7,521	8,828	7,748	7,168
Capital receipts used for financing	(1,387)	(1,985)	(684)	(684)	(684)
Capital receipts used to support capitalisation direction	(2,091)	(1,700)	(1,700)	0	0
Capital receipts Received or Forecast	7,792	4,992	1,304	104	104
Forecast Balance as at 31st March	7,521	8,828	7,748	7,168	6,588
Forecast Balance 2020/24 MTFP	9,904	10,245	10,791	10,136	10,136
Variance compared to 2020/24 MTFP	(2,383)	(1,417)	(3,043)	(2,968)	(3,548)

3.7 Forecasted capital receipts of £3.7m are delayed from 2020/21 to 2021/22 in regard to sales of land at Rockfield Farm, Undy and Penarth Farm due to the delay in receiving offers because of the Covid-19 pandemic and site constraints concerning Penarth Farm.

3.8 Forecasted balances held at the end of this financial year are lower than forecasted in the 2020/24 MTFP. Ignoring timing differences in the realisation of capital receipts, this is largely attributable to the use of unbudgeted receipts under the capitalisation direction in 2019/20 and 2020/21 and budgeted use for 2021/22 and 2022/23. If this trend of utilisation is maintained in the medium term this will result in reduced balances being available to support further capital investment.

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ENTERPRISE	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Business Growth & Enterprise	(62)	0	0	0	(62)
Facilities & Fleet	412	0	510	0	922
Neighbourhood Services	317	100	82	0	499
Planning & Housing	(372)	0	1,092	527	1,247
MonLife	(75)	0	1,299	0	1,224
	220	100	2,983	527	3,830

ENTERPRISE	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	
Business Growth & Enterprise					
Community & Pship Dev - staff costs covered by grant funding	(21)				
Communications - improved income	(4)				
Youth Enterprise	(15)				
Strategic Projects - staff saving - transferring staff collaboration costs to capital.	(39)				
Enterprise Mgt - Pay award budget shortfall	17				
Total Business Growth & Enterprise	(62)	0	0	0	
Facilities & Fleet					
Schools Catering - Loss of income/FSM increase	0	0	490	0	
Building Cleaning - Covid cleaning grant, assumes school cleaning funded by grant.	(19)	0	0	0	
PTU - Staffing Pressure	262	0	0	0	
PTU - Loss of Private Hire Income due to Covid			20		
PTU Commissioning - Contract savings offset by increased covid costs.	(27)	0			
Transport - Green car scheme loss, increased repair costs for additional vehicles taken on for covid.	196	0			
Total Facilities & Fleet	412	0	510	0	
Neighbourhood Services					

Highways & Streetlighting - Streetlighting energy saving.	(72)			
Waste - Increased Staff Costs due to Covid social distancing requirements.		75		0
Waste - Increased vehicle Hire & Running Costs due to Covid social distancing requirements.		25		0
Waste - External Trade Income			68	
Waste - Existing budget Pressures	389			
Grounds Maintenance - Reduction in external trade income as a result of Covid.	0	0	14	0
Total Neighbourhood Services	317	100	82	0
Planning & Housing				
Planning - Reduction in planning & Building Control Fees.	(95)	0	294	0
LDP - Consultant Uspond (£128k to capitalisation)	(178)			
Civil Parking Enforcement - Income Pressure	91		0	
Car Parking Income down due to Covid Restrictions.	0	0	748	0
Highway Dev & Flooding	(190)			
Housing - Renovation grants - Loss of fee income due to covid restrictions.			50	
Homelessness - Increase in B&B costs, security costs and meals due to Covid				527
Total Planning & Housing	(372)	0	1,092	527
MONLIFE				
Loss of Leisure Centre Income due to sites being closed for Covid.	0	0	1,097	0
Outdoor Education - Loss of income as centres closed due to Covid.	0	0	69	0
Countryside & Culture - income loss due to event cancellation			61	
Countryside & Culture - Software Ospend & Match funding requirement	58			
Active Travel	24			
Youth & Community - staff saving	(44)			
Tourism & Play	2			
Museums & Attractions- Loss of income as sites closed due to Covid. Staff savings	(115)	0	72	0
TOTAL MONLIFE	(75)	0	1,299	0
TOTAL ENTERPRISE & MONLIFE	220	100	2,983	527

RESOURCES	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Commercial, Corporate & landlord Services	(217)	0	1,025	0	808
Finance	(426)	385	79	0	38
Future Monmouthshire	83	0	0	0	83
Information Communication Technology	(431)	0	0	0	-431
People	(114)	0	3	0	-111
	(1,105)	385	1,107	0	387

RESOURCES	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	
Commercial, Corporate & landlord Services					
Estates - Income Pressure - Rental loss from Magor, development company not yet set up (budget assumed income stream).	32	0	74	0	
Sustainability & Solar Farm	(97)		0		
Commercial Investments	(165)		800		
Investment Income Pressure	200	0	0	0	
MCC Markets - Income Loss	2		112		
Industrial Units			39		
Cemeteries	32				
County Farms	8				
Property & Office Services	(107)				
Other	(12)				
Property Accommodation	(110)				
Total Commercial, Corporate & landlord Services	(217)	0	1,025	0	
Finance					
Benefits - B&B HB claims increasing due to Covid, not all can be claimed against Housing benefit subsidy so pressure on budget.	109	385	0	0	

Council Tax & NNDR - Shortfall in Summons income due to courts being closed and decision to halt recovery of Unpaid Council Tax & Business Rates. Salary overspend as budget moved as part of restructure that has not taken place yet.	26	0	79	0
Audit - capitalisation of salary	(52)			
Finance & Imp - Senior staff vacancy saving	(254)			
Systems & Exchequer	(66)			
Revenues & Debtors	(189)			
Total Finance	(426)	385	79	0
Future Monmouthshire				
Future Monmouthshire - Unachievable 20-21 Savings relating to Authority Wide Agency (£80k) and Fuel reductions (£34k). Offset by staff secondment savings (£30k)	83	0	0	0
Total Future Monmouthshire	83	0	0	0
ICT				
ICT - SRS savings & reserve	(122)			
DPO - Capitalisation of salaries	(309)			
Total ICT	(431)	0	0	0
People				
Corporate Training - Reduced Income	0	0	3	0
Customer Relations - Reduction in Professional fees	(24)			
Innovation - Staff costs to Capitalisation Directive	(63)			
People Services - Staff Savings in HR	(27)			
Total People	(114)	0	3	0
TOTAL RESOURCES	(1,105)	385	1,107	0

Chief Executive	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Legal & Land Charges	(47)	0	20	0	(27)
Governance, Democracy & Support	23	0	0	0	23
	(24)	0	20	0	(4)

Chief Executive	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	
Legal & Land Charges					
Reduction in Land Charges Income due to impact of Covid on Housing market.	0	0	20		
Legal - Staff savings as not filling employment lawyer post.	(47)				
Total Legal & Land Charges	(47)	0	20	0	
Governance, Democracy & Support					
Community Education - Loss of income due to closures of sites due to Covid.	1	0	0	0	
Contact Centre - Overspend as restructuring has been put on hold during Covid.	29	0	0	0	
Corporate - unbudgeted licensing cost, supplies & Serv	12				
Democratic Services - underspend in Supplies & Services.	(48)				
Policy & Pships - Welsh Translation Costs	19				
Community Hubs - Usk PO, increased book purchase.	10				
Total Governance, Democracy & Support	23	0	0	0	0
TOTAL CEO's	(24)	0	20	0	0

Children & Young People	Non Covid-19 Pressures	COVID- 19 Specific			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Individual Schools Budgets	(434)	0	0	0	(434)
Resources	(2)	0	0	5	3
Standards	515	(58)	60	0	517
	79	(58)	60	5	86

Children & Young People	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES		
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)
Individual Schools Budgets				
Post 16 funding	(60)			
Mounton House transfer	(374)			
Total Individual Schools Budgets	(434)	0	0	0
Resources				
Finance	2	0	0	5
ICT	14			
Access	(15)			
Other	(3)			
Total Resources	(2)	0	0	5
Standards				
Loss of income for breakfast club for the summer term		(8)	60	
Early Years	(147)	(50)		
ALN	607			
Other	55			
Total Standards	515	(58)	60	0
CYP	79	(58)	60	5

Social Care, Health & Safeguarding	Non Covid-19 Pressures	COVID- 19 Specific			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Adult Services	-62	0	0	0	-62
Children Services	1,434	0	0	0	1,434
Community Care	59	0	0	0	59
Commissioning	-106	0	0	0	-106
Partnerships	0	0	0	0	0
Public Protection	-17	0	0	0	-17
Resources & Performance	0	0	0	0	0
	1,308	0	0	0	1,308

Social Care, Health & Safeguarding	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES		
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)
Adult Services				
Not achieving income target and the 2% staff efficiency saving, coupled with the increased staff pay award and not meeting Section 28a income target	588			
Capitalisation (19/20)	-114			
Health funding	-260			
Reduced capacity to offer services	-276			
Total Adult Services	-62	0	0	0
Children Services				
Placement costs for LAC and non LAC population	872			
Legal costs	238			
Additional staffing (including Agency)	324			
Total Children's Services	1,434	0	0	0

Community Care				
Increase in care packages	266			
TWUD SCWS Grant	-440			
DOLS Capitalised	-100			
Not achieving income target and the 2% staff efficiency saving, coupled with the increased staff pay award	110			
Reduced capacity to offer services	-42			
Other	15			
Increase in care packages (Radis Usk)	250			
Total Community Care	59	0	0	0
Commissioning				
Vacancy	-74			
Service level contracts not being able to be run	-32			
Total Commissioning	-106	0	0	0
Partnerships				
Total Partnerships	0	0	0	0
Public Protection				
Reduced capacity to offer services	-17			
Total Public Protection	-17	0	0	0
Resources & Performance				
Total Resources & Performance	0	0	0	0
Total Social Care, Health & Safeguarding	1,308	0	0	0

Corporate	Non Covid-19 Pressures	COVID- 19 Specific			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Precepts & Levies	2	0	0	0	2
Coroner's	35	0	0	0	35
Corporate Management	(231)	0	0	0	(231)
Non Distributed Costs (NDC)	215	0	0	0	215
Strategic Initiatives	(61)	0	0	0	(61)
Insurance	52	0	0	0	52
	12	0	0	0	12

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES		
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)
Precepts & Levies				
National parks levy	2			
Total	2	0	0	0
Coroner's				
Coroner Fee	35			
Total	35	0	0	0
Corporate Management				
Capita Gwent	(109)			
Rate rebates	(101)			
Other	(21)			
Total	(231)	0	0	0

Non Distributed Costs (NDC)				
Strain costs	215			
Total	215	0	0	0
Strategic Initiatives				
Other	(61)			
Total	(61)	0	0	0
Insurance				
Premium	52			
Total	52	0	0	0
Total	12	0	0	0

Appropriations	Non Covid-19 Pressures	COVID- 19 Specific			Total
		Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	
DIVISION					
Fixed Asset Disposal Costs	6	0	0	0	6
Interest & Investment Income	162	0	0	0	162
Interest Payable & Similar Charges	(331)	0	0	0	(331)
Charges Required under Regulation	(82)	0	0	0	(82)
Other Investment Income	(14)	0	0	0	(14)
Borrowing Cost Recoupment	(5)	0	0	0	(5)
	(264)	0	0	0	(264)

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			
		Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)
Fixed Asset Disposal Costs					
Other	6				
Total	6	0	0	0	
Interest & Investment Income					
Interest Receivable	162				
Total	162	0	0	0	
Interest Payable & Similar Charges					
Interest payable	(331)				
Total	(331)	0	0	0	

Charges Required under Regulation				
MRP	(82)			
Total	(82)	0	0	0
Other Investment Income				
Other	(14)			
Total	(14)	0	0	0
Borrowing Cost Recoupment				
Other	(5)			
Total	(5)	0	0	0
Total	(264)	0	0	0

Financing	Non Covid-19 Pressures	COVID- 19 Specific			
DIVISION	Net Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)	Total
Council Tax	(368)	0	0	0	(368)
Council Tax Reduction Scheme	0	159	0	0	159
	(368)	159	0	0	(209)

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES		
	Service Pressures not related to Covid-19 (£000)	Expenditure directly attributable to Covid- 19 (£000)	Shortfall /Loss of Income due to Covid-19 (£000)	Costs incurred due to changes in service delivery (£000)
Council Tax				
CT Income	(368)			
Total	(368)	0	0	0
Council Tax Reduction Scheme				
CTRS		159		
Total	0	159	0	0
Total	(368)	159	0	0

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REPORT

SUBJECT: Revenue and Capital Budget 2021/22 – Final proposals following scrutiny and public consultation

MEETING: Cabinet

DATE: 3rd March 2021

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE:

- 1.1 To update Cabinet with the consultation responses to the draft budget proposals issued by them on the 20th January in respect of the Capital and Revenue budgets for 2021/22.
- 1.2 To update members with implications arising from the Provisional Local Government Settlement announcement of the Welsh Government as well as providing update with regards to the awaited Final Settlement announcement.
- 1.3 To make recommendations to Council on the Capital and Revenue budgets and level of Council Tax for 2021/22.
- 1.4 To receive the Responsible Financial Officer's Prudential Indicator calculations for capital financing.
- 1.5 To receive the statutory report of the Responsible Financial Officer on the budget process and the adequacy of reserves.

2. RECOMMENDATIONS:

- 2.1 That Cabinet considers the responses to consultation and recommends to Council:
 - a) The 2021/22 revenue budget as attached in **Appendix I1**.
 - b) The 2021/22 to 2024/25 capital programme as attached in **Appendix J1**.
- 2.2 That Cabinet acknowledges that the final budget proposals proposed look to support the priorities of the council and specifically seek to recognise:
 - a) In full, all pay and pension-related spending pressures in our schooling system;
 - b) The increasing demand placed on children's social care services, adult social care and our children with additional learning needs budgets;
 - c) Significant service pressures within the passenger transport unit and within recycling and waste and that look to ensure that the Council supports and sustains key service delivery;
 - d) Investment that ensures that homeless people are provided adequate support, advice and accommodation in their time of need;
 - e) An ongoing commitment to recognise and value the contribution made by the workforce and ensuring that local government staff are paid no less than the minimum

wage set by the Living Wage Foundation. And that as a result of the Cabinet decision in January is also extended to apprenticeship roles within the Council.

- 2.3 That a 3.89% increase in the Band “D” equivalent Council Tax is used as the planning assumption in the budget model and to apply for County purposes in 2021/22, reduced from the previous proposed increase of 4.95% and as a result of public consultation.
- 2.4 That Cabinet approves the revised saving and pressure proposals, updated following public consultation, scrutiny and more up to date information being made available since the draft proposals were released on consultation on 20th January 2021.
- 2.5 That Cabinet approves the changes and additional investment in the draft capital budget proposals and programme for 2021/22 and indicative capital budgets from 2022/23 to 2024/25.
- 2.6 That Cabinet recommends Council to dispose of assets identified in the exempt background paper at best value.
- 2.7 That Cabinet considers the Responsible Financial Officer’s report on the robustness of the budget process and the adequacy of reserves issued under the provisions of the Local Government Act, 2003, together with an assessment of the current and future financial risks facing the Council.
- 2.8 That Cabinet adopts the Responsible Financial Officer’s report on Prudential Indicators.
- 2.9 That Cabinet approves that:
 - a) Further work is undertaken to develop a balanced Medium Term Financial Plan.
 - b) Regular review is undertaken of the MTFP to ensure it remains up to date, and that includes an assessment of evidence based pressures and risks, underlying modelling assumptions and the ongoing affordability implications of the Corporate Plan.

3. KEY ISSUES:

BUDGET CONSULTATION

- 3.1 Cabinet issued its budget consultation proposals on 20th January 2021 thereby allowing a period for public consultation and scrutiny.
- 3.2 The pandemic and the current lockdown restrictions placed an additional challenge on being able to adequately consult with residents. As a result the Council:
 - a) Launched a dedicated page on the Council's website containing the draft budget proposals, a video blog by the Cabinet Member for Resources and an online feedback form;
 - b) Made use of social media linked to press releases, the website and online forms to ensure that there is optimal reach to allow residents to become aware of and respond to the draft budget proposals.
- 3.3 There was an opportunity for the community to provide consultation responses via virtual online meetings with various consultative fora undertaken and via the website and social media where details of the proposals and consultation events were published.

- 3.4 The proposals were scrutinised by the Children’s and Young People Select Committee, Strong Communities Select Committee, Adult Select Committee, and Economy and Development Select Committee, the Schools Budget Forum and the Joint Advisory Group (JAG).
- 3.5 Furthermore, budget consultation was undertaken through a Countywide virtual budget livestream event, and virtual meetings with MyMates, the Friday Friendly (young people), Head Teachers and Town and Community Councils.
- 3.6 Extracts of the draft minutes from the Committees are included as **Appendices A1 to A6** respectively and a summary or notes of the engagement events together with feedback received are included in **Appendices A7 to A11**.
- 3.7 In terms of public engagement the use of the website and social media as a mechanism for sharing information and getting feedback has continued with active engagement and responses received. An overview of the Council’s budget engagement is included in **Appendix A12**.
- 3.8 As might be expected, responses to consultation varied. However, there was a broad acceptance and understanding of the overall shape of the budget proposals and set against the backdrop of significant financial and demand driven challenges faced. Residents understood that the Council continued to look to protect frontline services and in particular those most vulnerable in our communities. And they also recognized the strain on the Council at this time of responding to the pandemic and how this also influenced the nature of the budget proposals.
- 3.9 There were a number of questions clarified via the Select Committee meetings and other consultation meetings. Clarification was provided at meetings and via responses to pre-submitted questions made available on the Council’s website. The budget presentation delivered at the consultation events was made widely available via the Council’s website. And the Cabinet Member for Resources delivered a video message to explain the challenges being facing in 2020/21 and how the Council was looking to respond to them.
- 3.10 The process in general has worked well, with thorough debate having taken place through scrutiny and public consultation events. Attendance was improved generally from the previous year’s consultation events and a number of residents commented that they benefitted from the ability to access the meetings virtually. Constructive feedback was again also provided on how the budget consultation could be improved and this will be taken on board as part of ongoing improvement in the process.
- 3.11 In respect of the capital budget proposals, general support was expressed about the need to continue to invest in schools whilst recognising that there are future pressures to be managed. Concerns were also raised with regards to overstretched infrastructure, flooding and the impact of ash dieback disease.
- 3.12 In terms of the key issues and concerns raised as part of the consultation, engagement and scrutiny process and which concern the revenue budget proposals specifically, these principally revolved around:
- A significant number of residents raising concern about the level of council tax increase proposed, and reassurance was asked for about the assumptions around council tax collection. However, there was a recognition that the choices available to the Council were limited in the face of significant pressures and inadequate funding being received from Welsh Government.

- Reassurances around the risks and uncertainties that the Council was facing at this time and into the future. With particular concern around income losses and the impact on the Council's commercial investment portfolio.
- Concerns raised around continued pressure on services such as in social care, operational frontline services and with children with additional learning needs.
- Feedback via select committees, consultation events and online forms from residents questioning the level of funding that Monmouthshire receives from the Welsh Government and the fairness in the formula distribution.
- Reassurances in particular from Select Committees around the approach the Council was taking to draw on limited reserve balances to support the budget at this time. And that included members wanting to better understand the flexible use of capital receipts to support the budget.
- Interest in the mechanisms and thresholds in place around fees and charges in social care and to ensure those without sufficient means were not being adversely impacted by the increases.
- Overriding support for the investment in homelessness support and prevention, alongside calls for Welsh Government to provide further specific funding to sit behind its own policy commitments.
- Support from the School Budget Forum and Head Teachers that all pay and pension increases will be funded, including a commitment to fund any increase above the 1% modelling assumption in the budget.
- Clarification from Teaching Unions on how Welsh Government funding to raise standards and increase the level of teaching support during the pandemic was being allocated to schools and used.

3.13 As stated above there was a general consensus reached by respondents that the funding formula used by Welsh Government to allocate funding to Welsh authorities disproportionately disadvantaged Monmouthshire and failed to recognise both the areas of deprivation within the County and its rurality. There was overriding support that the Council should challenge Welsh Government on the need for a funding floor to be introduced in order to protect vital services. Select committees again asked for the funding formula to be reviewed and for evidence to be provided to the WLGA and Welsh Government such that Monmouthshire could benefit from a fairer settlement in future.

3.14 As a result of the consultation and upon subsequent reflection of concerns raised it is recommended that the following revisions are made to the savings proposals:

- a) That the proposed council tax increase of 4.95% is reduced to 3.89%.
- b) Further investment in the capital programme, and that will result in additional investment in flood alleviation and match funding that enables grant funded schemes to be delivered.
- c) An ongoing commitment to recognise and value the contribution made by the workforce and ensuring that local government staff are paid no less than the minimum wage set by the Living Wage Foundation of £9.50 per hour and that will take effect from April 2021. And that as a result of the Cabinet decision in January that this also be extended to apprenticeship roles within the Council.

PROVISIONAL AND FINAL SETTLEMENT

- 3.15 The Welsh Government published its draft budget on 21st December. The overall increase in the Welsh Government draft revenue budget was £1.5bn (7.8%). Revenue spending will increase by £848m (5.0%) and spending on capital will increase by £671m (24.9%). There were no indicative revenue figures for future years as a result of the UK Government and Chancellor's one year spending review. Whilst understandable given the current level of uncertainty with the UK economy and public finances it does not assist the Council in financial planning for the future.
- 3.16 On 22nd December the Minister for Housing and Local Government published the provisional local government finance settlement. There is an increase in the revenue settlement (Aggregate External Finance) of 3.8% for 2021/22 on a like-for-like basis and including transfers that for Monmouthshire only related to specific teacher's pay grant transferring into the AEF. The Welsh Government has increased AEF by £172m.
- 3.17 Whilst a proportion of pressures faced by the Council have been funded by this settlement there is a question mark over the actual pressures that will arise for pay in the context of the Chancellors Spending Review Statement on the 25 November. The Council has revised its budget assumption for pay (local government and teaching staff) down to 1%. However it recognises the budgetary risk if pay awards are subsequently confirmed in excess of this. One-off reserve cover is in place to mitigate this potential impact.
- 3.18 The Council in fact saw an increase in its AEF of 3.9%, above the all-Wales average of 3.8%. On the one hand this was welcome news as it has enabled some of the pressures needing to be accommodated in the budget proposals to be offset. And was significantly ahead of the original and prudent modelling assumption factored into the MTFP. However, the Council still remains rooted to the bottom of the table for funding per capita (£1,067 per capita).
- 3.19 Welsh Government have also confirmed that funding of COVID pressures, in the form of increased costs and income losses, will be separately announced in the coming weeks and will be informed and influenced by the Chancellor's Spring budget announcement on the 3rd March. The budget assumption for next year remains that Welsh Government will fund such COVID pressures. Clearly, any resultant shortfall will be identified through in-year budget monitoring with budget recovery action being taken as required.
- 3.20 The provisional settlement also only included the notifications of specific grants at an all Wales level. There are still a number of grant announcements to be made and this position is extremely disappointing as it makes planning for next year's budget even more difficult. It is hoped that the final settlement on 2nd March will provide further clarification. The current position on Welsh Government specific grants (all Wales) is included in **Appendix C**. There are a number of significant grants where the Authority remains unclear as to the amount to be received and resultant terms and conditions attached.
- 3.21 A table showing each authorities position resulting from the provisional settlement is included at **Appendix B1** to this report. Monmouthshire again remains at the bottom of the table in terms of AEF per head of population. A response to Welsh Government regarding the Provisional Settlement is attached at **Appendix B2**.
- 3.22 Whilst no further changes to funding levels are anticipated as a result of the final settlement announcement by Welsh Government on 2nd March any further changes to the budget will need be considered as part of the Council Tax resolution when it is considered by Full Council on 11th March 2021.

- 3.23 The medium term prognosis is still of concern, there are no indicative settlement figures published and which significantly impedes and impacts on forward planning of budgets over the medium term. At this stage and with uncertainties remaining as to future levels of local government funding the MTFP for 2021/22 onwards factors in no cash increase in funding (0.0%), so that planning can be undertaken on a prudent basis.
- 3.24 There is still a need to think differently about the even greater challenges of the medium term and this work and engagement will continue in the coming months, and notably with other local authorities, Welsh Government and the Welsh Local Government Association (WLGA) and where funding distribution and projections are concerned. Specifically, the Leader continues to garner support with the WLGA rural forum for an evidence based review of the funding formula to be undertaken to demonstrate how rural authorities are disadvantaged in the formula distribution.

BUDGET PROCESS CONTEXT AND CHANGES

- 3.25 Subsequent to Cabinet's budget consideration on 20th January 2020, proposals went on consultation and which looked to accommodate £10.07m of pressures by way of savings proposals of £3.682m and a one-off contribution from the Council's general reserves of £748k. Work has continued to review and revise existing and new savings and pressures in the light of further engagement and scrutiny. All the original proposals are available as part of the draft budget proposals. Details of revised savings and pressures and the movement from draft to final proposals are included in **Appendix D** and **E**.
- 3.26 The table below illustrates the movements that have been seen as a result of the budget proposals being finalized and subsequent to public consultation, scrutiny and more up to date information being made available since the draft proposals were released on consultation on 20th January 2021.

Budget Reconciliation	Amount £'000
Draft budget proposals – budget shortfall	0
Revisions and additions to pressures	240
Revisions and additions to savings	(1,052)
Update to treasury and appropriation budgets	(442)
Adjustment to transfers from settlement	(102)
Reduction in council tax increase	608
Removal of one-off contribution from Council Fund	748
Final budget proposals – budget shortfall	0

- 3.27 The revisions and additions to pressures are summarised as follows:

- A £651,000 reduction in the homelessness pressure from £875,000 to £224,000 as a result of recent confirmation of specific grant funding from Welsh Government

together with the continued expectation that Welsh Government will continue to meet COVID related costs next year.

- £300,000 earmarked investment and that looks to enhance the Council's digital design and innovation and data analytics capabilities. This will be funded through flexible use of capital receipts and in relation to costs associated with service reform. It will also be subject to a subsequent report to Cabinet for consideration and approval and that will outline the detailed proposals.
- £207,500 investment in the Council's procurement capability, achieved through a proposal to collaborate with Cardiff Council. This will be also funded through flexible use of capital receipts and in relation to costs associated with service reform.
- As approved by Cabinet in January, £103,000 investment to ensure that apprenticeship roles are paid as a minimum in line with the Council's pay scales and therefore in line with the ongoing commitment to pay in line with the Real Living Wage set by the Living Wage Foundation each year.
- A £91,000 investment and that contributes towards the need for further resilience around COVID recovery.
- £84,000 investment to develop local outreach advisory and direct support which would align and link with the Pupil Referral Service "In-reach" in place in Secondary Schools. This would work closely with other services to provide a multi-agency response to school's requests for support where a child is displaying extreme challenging behavior, thus supporting the maintenance of pupils in their local communities.
- An additional budget pressure of £60,000 to recognise the need for the sleep-in allowance to be included in holiday pay calculations in social services.
- Recognition of a £31,000 pressure to ensure that the existing in-house developed social care case management system is maintained ahead of a subsequent future move to the all Wales care package system (WCCIS).
- A further increase in the budget for the South Wales Fire Authority precept of £14k and resulting from update in population estimates used.

3.28 The revisions and additions to savings are summarised as follows:

- The revision and additions to savings principally concern a delay in the county-wide rollout of the *Turning the World Upside Down* commissioning strategy. This results in a saving of £548k consistent with the investment that was made as part of the current year (2020/21) budget proposals. The Council had already paused progress during the current year, as a consequence of the impact and response to the pandemic, and to also assist in the in-year budget recovery plan. The implementation strategy is being reviewed during 2021/22 with a view to revised proposals being brought back for future consideration in the coming months.
- As noted above an increase in the flexible use of capital receipts in 2021/22 and each of the subsequent years of the capital MTFP of £507,500 to support investment in procurement, digital design and data analytics.

3.29 Further changes to the budget proposals for 2021/22 include:

- As is the case ahead of the final budget proposals being prepared a full and further update is undertaken, based on most recent forecasts, of treasury budgets. This aligns with the work done in parallel in producing the Council's treasury strategy for 2021/22. As a result of the significant work undertaken by officers and treasury advisors the Council will be looking to make more continued use of short-term borrowing during 2021/22 and resulting from the continued low interest rate environment. The consequence of this has been a net reduction in anticipated treasury costs of £472,000.
- An analysis of the potential capital receipts forecast over the medium term has identified some consequential costs of disposal that are required in 2021/22 in relation to items such as survey's and professional fees.
- A sum of £102,000 was included in the provisional settlement in respect of transfers into the settlement and to meet costs that had been previously grant funded by Welsh Government (teachers' pay for 2020/21). This sum was identified as already having been incorporated into the existing 2020/21 base budget and therefore the further transfer has been reversed.

3.30 The increase in the Band "D" equivalent Council Tax for the County has been reduced from 4.95% to 3.89% and resulting from resident feedback and the budget consultation and scrutiny process. The consequence of this will be a reduction in council tax income of £608,000 in 2021/22 and has a continued impact on the MTFP going forward.

3.31 The consequence of the adjustments results in the originally proposed one-off contribution from general reserves of £748,000 now no longer being required. This is welcomed and allows for the retained headroom within the Council Fund above minimum 4% thresholds to be reserved as cover against future financial risks and challenges.

3.32 Whilst no further changes to funding levels are anticipated as a result of the final settlement announcement by Welsh Government on 2nd March any further proposed changes to the budget proposals will be considered as part of the Council Tax resolution when it is considered by Full Council on 11th March 2021.

3.33 It is worth noting that the ongoing financial challenges remain as always a dynamic situation. As stated in recommendation 2.9 further work will be undertaken to develop the MTFP and that will include an ongoing assessment of pressures, risks and modelling assumptions. Notably key risks remaining to be assessed and managed in 2021/22 and as yet unknown are:

- The fact that neither the Teacher's pay award for the next academic year or the LGE pay award are known. The current modelling assumption for pay award for non-teaching staff is currently 1%.
- A key remaining and potentially significant financial risk relates to the pay awards for local government staff and teaching staff. The reality is that Welsh Government did not receive any additional funding through the Barnett formula to provide for public sector wide pay awards next year given the UK Government's decision to pause public sector pay rises, with the exception of the NHS and those on the lowest wages. The implications of pay awards in 2021-22 will therefore need to be accommodated within the Council's budget planning and through reserve cover in place as required.

Local government pay is nationally set by Local Government Employers (LGE) and Teachers pay in Wales is set by the IWPRB (Independent Welsh Pay Review Body).

Pay budgets have been built on a modelling assumption and pay award of 1%. Any increase in pay award above this will draw further on the Council's finances and therefore this remains a key risk. The Council awaits subsequent notification on pay from awarding bodies and that will now extend into 2021/22 and where pay awards are subject to consultation with trade unions.

- The Council is grateful to Welsh Government for the continued funding provided to local authorities via its COVID Hardship Fund to offset significant COVID related expenditure and income losses. Whilst comfort is held around all such pressures being funded by Welsh Government in this financial year a risk still remains that Welsh Government funding will be inadequate to cover COVID related expenditure and income losses through 2021/22. This will be significantly influenced by UK Government's further announcements, and notably via the Chancellor's Spring budget announcement on 3rd March.
- Clarification is still being sought on levels of specific grant funding for next year. It is hoped that further detail will be provided when Welsh Government released the final settlement on 2nd March. This will be closely monitored in the coming weeks and any material impacts will be considered as part of in-year budget monitoring with recovery action being taken as required.
- Demand-led pressures remain, as evidenced by the extent and level of pressures needing to be accommodated within these budget proposals. Ongoing budget monitoring and review of pressures will identify whether any further pressures need to be managed. As stated this is a dynamic situation to which the Authority will respond as any situation evolves.

Council Tax

- 3.34 The increase in the Band "D" equivalent Council Tax for the County has been reduced from 4.95% to 3.89% and resulting from resident feedback and the budget consultation and scrutiny process. The revised increase of 3.89% is now being used as the planning assumption in the budget model and to apply for County purposes in 2021/22, reverting to a 3.95% increase 2022/23 and 4.95% in each of the subsequent 2 years.

OVERALL REVENUE BUDGET POSITION

- 3.35 The current revenue position for each of the next 4 years is included in **Appendix I2**. The proposed position for 2021-22 specifically is,

Services	Indicative Base 2021/22 £000	Indicative Base 2022/23 £000	Indicative Base 2023/24 £000	Indicative Base 2024/25 £000
Children & Young People	56,527	57,044	57,518	57,996
Social Care & Health	52,825	53,494	54,233	54,978
Enterprise	25,767	26,212	26,544	27,063
Resources	8,361	8,482	8,660	8,795
Chief Executive's Unit	5,048	5,220	5,166	5,243
Corporate Costs & Levies	23,414	28,139	34,939	39,839
Sub Total	171,942	178,590	187,060	193,915
Transfers to reserves	195	188	63	63
Transfers from reserves	(588)	(294)	(139)	(139)
Treasury	6,417	6,853	7,055	7,536
Appropriations Total	6,024	6,747	6,979	7,460
Total Expenditure Budget	177,966	185,337	194,039	201,375
Aggregate External Financing (AEF)	(101,483)	(101,483)	(101,483)	(101,483)
Council Tax (MCC)	(60,078)	(62,451)	(65,542)	(68,786)
Council Tax (Gwent Police)	(13,451)	(13,451)	(13,451)	(13,451)
Council Tax (Community Councils)	(2,954)	(2,954)	(2,954)	(2,954)
Contribution to/(from) Council Fund	0	0	0	0
Disinvestment	0	0	0	0
Sub Total Financing	(177,966)	(180,339)	(183,431)	(186,675)
(Headroom)/Shortfall	0	4,998	10,608	14,700

Note: An explanation of how services are grouped is included in **Appendix L**

CAPITAL BUDGET

- 3.36 On September 19th 2019 Council approved the first full Capital Strategy, an annual requirement of the Prudential Code for Capital Finance that was updated in 2017. The Authority's Capital Strategy is required to define at a high level how the Authority ensures its capital plans:
- Contribute to the provision of local public services;
 - Are affordable, prudent and sustainable;
 - Demonstrate that existing assets are adequately maintained;
 - Are developed with a full understanding of the risks involved;
 - Are appropriate for the Authority and suit local circumstances; and
 - Have due regard for the long term financing implications and risks to the Authority.
- 3.37 In preparing the draft capital budget proposals for 2021/22 and the subsequent three years of the capital MTFP regard has been given to underlying principles of the current strategy and that remained fit for purpose.
- 3.38 An updated capital strategy for 2021/22 will be considered by Council alongside the treasury strategy at its meeting on 11th March 2021. A draft revised strategy is appended for information at **appendix M**.
- 3.39 The capital MTFP and capital strategy seek to work towards a financially sustainable core capital programme, whilst balancing the need to deliver capital investment plans in line with policy commitment and need. The draft capital budget proposals were prepared on this basis and were issued by Cabinet for consultation purposes at its meeting on 20th January 2021.
- 3.40 During the financial year, any new schemes volunteered can only be added to the programme if the business case demonstrates either:
- That they are self-financing;
 - The scheme is deemed a higher priority than current schemes in the programme and therefore displaces it;
 - They do not compromise the core principles of affordability, sustainability or prudence
- 3.41 When considering the relative merits of projects and potential displacement, the priority matrix in the capital strategy will be applied, either endorsing or amending it for onward consideration by full Council.
- 3.42 The provisional settlement announced on 22nd December 2020 maintains effectively a standstill funding position in respect of core general capital grant and supported borrowing for 2021/22. This is assumed to continue at current levels through the latter 3 years of the capital MTFP. However, the current levels of general capital grant include an additional level of capital grant maintained from 2020/21. Any reduction or removal of this additional sum in future years would have consequences on both capital and revenue budgets.

The proposed changes to the capital programme since the draft proposals were released on consultation by Cabinet on January 20th, based on feedback from public consultation and scrutiny, and more up to date information being made available have resulted in the following increases in the capital programme:

Financial Year	Draft proposals £'000	Final proposals £'000	Increase £'000
2021/22	24,271	26,514	2,243
2022/22	23,714	25,800	2,086
2023/24	8,656	10,538	1,882
2024/25	8,783	10,665	1,882

3.43 The specific additions to the capital budget proposals are:

- Recognition of the Council's share in the up-front capital investment of £361k in 2021/22 and resultant decommissioning costs of £203k in 2022/23 to enable the SRS data centre move from Blaenavon to NGD in Newport, approved by Council in October 2020;
- An increased level of capital investment of £375k in 2021/22 and each of the following years of the capital MTFP into flood alleviation work and that look to enhance existing infrastructure assets that become susceptible to flooding;
- The introduction of a £1m capital budget in 2021/22 and each of the following years of the capital MTFP to support capital bids that are submitted and successfully awarded by grant funding bodies and that require a match funding contribution. Such capital bids or awards will be reviewed by the Capital and Asset Management Working Group before being considered by Cabinet for approval and to ensure they align with the Council's priorities.
- A further flexible use of capital receipts in 2021/22 and each of the subsequent years of the capital MTFP of £507,500 to support:
 - i. £207,500 in recognition of additional investment in the Council's procurement capability, achieved through a proposal to collaborate with Cardiff Council;
 - ii. £300,000 earmarked investment and that looks to enhance the Council's digital design and innovation and data analytics capabilities. This will be subject to a subsequent report to Cabinet for consideration and approval.

3.44 The Summary Capital MTFP is shown in **Appendix J1**. There remain significant pressures and planned investments of a capital nature that cannot be afforded within the capital MTFP and these are outlined in **Appendix J6**. A review of the pressures and associated risks has been undertaken since the draft budget proposals were issued for consultation purposes. This has concluded that further feasibility studies and technical assessments will be undertaken on specific infrastructure assets during 20/21, funded from existing highways infrastructure capital budgets. The results of these studies and assessments will inform the capital MTFP and pressures that will need to be accommodated and funded therein in future financial years.

3.45 **Appendix J3**, the capital receipts summary shows the expected level of receipts and planned usage and highlights the balances available in the next couple of years. Future investment in capital schemes, is in part dependent on future success of achieving capital receipts and there are risks attached to some receipts materializing as shown in

Appendix J4. The revised forecast receipt schedule is provided as exempt background papers to this report for Members approval as **Appendix J5.**

THE PRUDENTIAL CODE

- 3.46 Under the Prudential Code, local authorities are required to publish Prudential Indicators produced to demonstrate that capital programmes are prudent, sustainable and affordable in the longer term. The indicators for 2020/21 to 2023/24 are contained at **Appendix G** to this report, assuming eventual Council approval of Cabinet's budget and Council Tax recommendations.

THE ROBUSTNESS OF PROCESS AND RESERVES

- 3.47 The level of the Council Fund, The Council's general reserve, is at £8.9 million, subject to 2020-21 year-end, but at present it is within the range of 4-6% of net revenue budget and considered to be at a prudent level. The final revenue budget proposals do not now include a requirement to use any of the general reserve to balance the budget in 2021/22.
- 3.48 The Council tactically created headroom in its general reserve at the end of 2019/20 and based on this current assessment the headroom above the de minimum 4% threshold in general reserves stands at £2.167m.
- 3.49 The focus therefore turns to the uncertain outlook and future financial challenges and where the headroom in the Council Fund balance is reserved and if required to cover the following, and where mitigating budgetary recovery action is unable to manage such pressures on the Council's budget:
- Any budget pressure in 2021/22 resulting from pay award announcements in excess of the 1% modelling assumption in the final budget proposals;
 - Any COVID related pressure caused by a shortfall in Welsh Government funding in 2021/22;
 - Any one-off contribution to support the 2022/23 budget proposals;
 - To allow for future reserve cover across the MTFP and beyond
- 3.50 Net school balances have remained at low levels and have reduced in recent years to a net deficit balance of £435k. As at month 9, school balances were however forecast to increase to a net deficit of £166k. The improvement has resulted from positive recovery action being taken by schools together with Welsh Government grants that have looked to ensure that the costs that schools have had to bear during the pandemic have been met.
- 3.51 Continued emphasis is placed by LEA finance colleagues to agree budgets with schools that are sustainable to the resources available rather than passporting additional deficits to their school reserve. Recovery plans are in place for all schools in deficit and are being closely monitored by the LEA and relevant Cabinet members.
- 3.52 The total planned net earmarked reserve utilization in support of the 2021/22 revenue and capital budget is £0.41m. **Appendix H1** shows the call on and contributions to reserves for the 2021/22 budget and **Appendix H2** shows the reserve balances projected for the medium term. Total planned reserve utilization in support of current year revenue and capital budgets means that by the end of 2020-21 the balance of

earmarked reserves is likely to be £5.5 million. The further call in 2020/21 means that the earmarked reserves will fall to £5.1 million, with the useable balance down to £3.4m.

- 3.53 Useable capital receipts also provide a limited one-off resource to support financing of the capital programme. In recent years the Council has also made use of Welsh Government's guidance allowing flexible use of capital receipts to meet one-off costs associated with service reform. The Council has had to make use of this flexibility in 2019/20 and 2020/21 and plans to do similarly in 2021/22 and over the remaining three years of the MTFP. Useable capital receipts are forecast to reduce to £4.9m by the end of 2024/25 based on the capital MTFP. The continued use of capital receipts for this purpose is recognized as a necessary but unsustainable approach and has the added consequence of requiring the Council to fund any further and future capital investment through prudential borrowing where it cannot be met from other sources.
- 3.54 Under the provisions of the 2003 Local Government Act, the Responsible Financial Officer has to provide conclusions on the robustness of the budget process and the adequacy of reserves. Those conclusions certify are shown at **Appendix F**. The RFO opinion also includes an acknowledgement of the risks taken into account in producing the budget proposals for 2021/22 as well as those budgetary risks that will need to be managed going forward in the MTFP.
- 3.55 The effect of Cabinets revenue budget recommendations is shown at **Appendix I**. The effect of Cabinet's capital recommendations is shown at **Appendix J**. Final Council Tax setting is reserved for decision of Full Council on 11th March 2021.

4. OPTIONS APPRAISAL:

- 4.1 Chief Officers and Directorates are required to consider and outline the options that have been considered for each of the budget savings proposals and pressures accommodated within the final budget proposals presented in this report.
- 4.2 The detail is contained in the original budget mandates that supported the drafted budget proposals. Where new or amended proposals have been considered as part of the final budget proposals these are available under **appendix E1**.

5. EVALUATION CRITERIA:

- 5.1 The means of assessing whether the final budget proposals for 2021/22 have been successfully implemented is undertaken throughout the year via regular budget monitoring and periodic reports to Cabinet and then to Select committees for scrutiny.
- 5.2 Since the start of the pandemic the Council has been reporting on both COVID and non-COVID budget deficits, with the former being funded by Welsh Government to date through the COVID Hardship Fund. Reporting will extend into 2021/22 on the same basis as the impact of the pandemic continues to impact on the Council's finances.
- 5.3 Alongside the Corporate plan the Council continues to iterate and develop its Coronavirus strategy, its third iteration (Winter Strategy) approved by Cabinet in December 2020. Regular monitoring of the performance of the Council against service business plans, the Corporate Plan and the Coronavirus strategy takes place. Taken together these arrangements enable the Council to evaluate its success and progress against its longer term plans within the resources available.

6. REASONS:

- 6.1 To make appropriate recommendations to Council on the revenue and capital budgets for 2021/22, and the resultant Council Tax recommended to be set for County purposes, taking into account the public consultation and scrutiny in January and February.
- 6.2 To sustain the capital programme and establish capital resources to support the programme by the sale of surplus assets where this is deemed necessary and appropriate.
- 6.3 As required by statute, to consider the Responsible Financial Officer's conclusions on the robustness on the budget process and the adequacy of reserves going forward.
- 6.4 To approve the Prudential Capital Indicators calculated by the Responsible Financial Officer.

7. RESOURCE IMPLICATIONS:

As identified within the report and appendices.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING and CORPORATE PARENTING):

- 8.1 There is a requirement placed on Local Authorities to comply with the general equality duties set out in the Equality Act 2010 and the specific equality duties such as the statutory responsibilities to assess the equality impacts of their budgetary decisions. The Equality Act 2010 places a General Duty on Monmouthshire County Council to eliminate discrimination according to nine "protected characteristics" (age, belief and non-belief, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, and sexual orientation). Also we need to comply with the Welsh Language Act 1993 and the Welsh Language Measure 2011 through which the Welsh Language Commissioner has shaped the Welsh Standards which will come into force from 30th March 2016.
- 8.2 The Wellbeing of Future Generations Act requires public bodies to improve social, economic, environmental and cultural wellbeing, by taking action in accordance with the sustainable development principle aimed at achieving the Wellbeing Goals. The authority was an early adopter of The Act and re-shaped its pre-decision evaluation tool to reflect the well-being goals and the principles which it sets out.
- 8.3 The Council has continued to respond to these issues by building considerations of equality, diversity and sustainability into the planning and delivery of its 2021/22 budget. It has done this by:
 - Requiring Chief Officers to undertake a Future Generations evaluation of all savings proposals they offered for their service area to contribute towards the Council's overall savings target. Where necessary this evaluation has since been updated to reflect the final budget proposals and individual evaluations are linked to each budget proposal.
 - Producing an overall FGE assessment of the revenue budget proposals and publishing this as part of the revenue budget proposals for consultation. This is attached as **appendix K** and the assessment has been updated as a result of budget consultation and the final revenue budget proposals being presented to Cabinet for consideration.

- Undertaking a FGE assessment of the capital budget proposals and publishing this as part of the capital budget proposals for consultation.
- Enabling the Council's Cabinet Members to consider savings proposals with the benefit of the FGEs, and to make initial decisions based on this information. The budget proposals reflect Cabinet's key priorities and therefore key services that support equalities – such as social care and schools.
- Deciding that once the final shape of the budget is agreed by Council in March 2021, Council service areas carry out more detailed work to mitigate and manage any equalities or Future Generation issues that have been identified.
- Including the FGEs as part of this report and published on the Council's website so that residents can understand the factors that went into the planning of the 2021/22 budget.
- Ensuring that where proposals will be the subject of further reports it is expected that further FGEs will be undertaken at that time and where savings are being made from decisions already taken then those implementing those decisions should consider mitigating any negative impacts where necessary.

9. CONSULTEES: Cabinet, Strategic Leadership Teams

10. BACKGROUND PAPERS:

- a) Directorate Budget builds, detailed capital programme and associated papers
- b) Draft revenue budget proposals, draft capital budget proposals – released on consultation by Cabinet on 20th January 2021
- c) Provisional Local Government Settlement
- d) The CIPFA Prudential Code for Capital Expenditure

11. AUTHORS:

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Appendices:

- A1 Extract of draft minutes of Children & Young People Select Committee – 19th Jan 2021
- A2 Extract of draft minutes of Economy & Development Select Committee – 21st Jan 2021
- A1 Extract of draft minutes of Adults Select committee – 26th January 2021
- A4 Extract of draft minutes of Strong Communities Select Committee – 28th January 2021
- A5 Draft minutes of Schools Budget Forum – 21st January 2021
- A6 Draft minutes of JAG (Joint Advisory Group) – 25th January 2021

- A7 Summary of MyMates livestream event – 21st January 2021
- A8 Summary of Budget livestream event – 27th January 2021
- A9 Summary of Head Teachers meeting – 29th January 2021
- A10 Summary of Friday Friendly Young People Group – 29th January 2021
- A11 Draft minutes of Town and Community Council Cluster meeting – 2nd February 2021
- A12 Overview of Monmouthshire County Council budget engagement

- B1 Provisional Settlement Data
- B2 Provisional Settlement – MCC response letter
- C Specific Grants 2021/22 (All Wales)
- D Summary of savings and pressures
- E1 New or revised Revenue budget mandates
- E2 Full cost briefing note
- F Responsible Financial Officers Opinion
- G Prudential Indicators
- H1 Use of reserves for Revenue Budget Purposes
- H2 Reserve Balances
- I1 Reconciliation through budget process
- I2 Revenue Budget Summary
- J1 Capital Budget Summary
- J2 Schools Capital Budget Summary
- J3 Capital Receipts Summary
- J4 Receipt Risk Factors
- J5 Capital Receipts (Exempt – supplied under separate cover)
- J6 Capital Pressures
- J7 Exemption form for appendix J5
- K Overall Wellbeing and Future Generations Evaluation
- L Explanation of Service Groupings
- M Draft Capital Strategy 2021/22 (to follow)

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Ref	Pressure/Saving by Directorate	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
CYP	Children & Young People	1,469	84	1,554	(1,510)	0	(1,510)
SCH	Social Care & Health	2,979	91	3,070	(326)	(548)	(874)
ENT	Enterprise	4,107	(651)	3,456	(925)	4	(921)
CEO	Chief Executives Unit	195	91	286	(32)	0	(32)
RES	Resources	756	0	756	(165)	0	(165)
CORP	Corporate Costs & Levies	520	625	1,145	(1,000)	(508)	(1,508)
APP	Appropriations	44	0	44	275	0	275
FIN	Financing	0	0	0	0	0	0
	Totals	10,071	240	10,310	(3,682)	(1,052)	(4,734)

Ref	Children & Young People	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
CYP1	ALN recoupment income (Mounton House)	304		304			
CYP1	ALN - Independent schools	58		58			
CYP1	ALN - Other LA's	130		130			
CYP1	ALN - School action plus	495		495			
CYP1	Additional recoupment income - mainstream			0	(252)		(252)
Report to Cabinet Sep 2019	Mounton House closure impact on ISB			0	(1,258)		(1,258)
Report to Cabinet Sep 2019	Mounton House closure impact on ISB - Inclusion Centres	269		269			
Report to Cabinet Sep 2019	Mounton House closure impact on ISB - Placement costs	118		118			
CYP2	Mounton House related Cost pressure - Education Psychology	75		75			
CYP2	Mounton House related Cost pressure - Early years	21		21			
	Primary PRU and behaviour support		84	84			
	CYP Totals	1,469	84	1,554	(1,510)	0	(1,510)

Ref	Social Care, Health & Safeguarding	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
SCHACC 21.22	Additional in year 1.75% pay award	346		346			
SCHACC 21.22	Unachievable 2% staff efficiency saving	242		242			
SCHACC 21.22	CS 2% staff efficiency	100		100			
SCHACC 21.22	SCH Safeguarding team recruitment & training (20/21 capitalisation directive)	45		45			
SCHCS 21.22	Month 7 Pressure - Childrens	1,460		1,460			

SCHFEES 21.22	Provider fees	536		536			
SCHUSK 21.22	Month 7 pressure - Increase in care packages (Radis Usk)	250		250			
	Inclusion of the sleep-in allowance in the calculation of holiday pay		60	60			
	WCCIS care management package		31	31			
SCHF&C 21.22	Fees & Charges 2021/22				(79)		(79)
Full cost briefing note	Increase in SCWD grant				(247)		(247)
Full cost briefing note	Removal of TWUD base budget					(548)	(548)
	SCH Totals	2,979	91	3,070	(326)	(548)	(874)

Ref	Enterprise & Monlife	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
PENT0001	FACFLEET - PTU Commissioning - Additional pupils and catchment change consequences	366		366			
PENT0001	FACFLEET - PTU Operations - Recurring staffing pressure, service expansion and consequence of contract handback	327		327			
PENT0001	FACFLEET - PTU - Private Hire income shortfall - total loss £324k, £100k related to covid.	224		224			
PENT0002	FACFLEET - Catering - Catering Staff Resources Supervisor (fully funded 20-21, needs funding in 21-22 onwards) & re-structure costs.	48		48			
PENT0002A	FACFLEET - Catering - Increase in Free School Meal Entitlement (primary only) and consequential loss of school meal income	36		36			
PENT0003	FACFLEET - Transport - Increased premises costs & additional staff resource to enable transport review.	73		73			
PENT0004	PLANHOUS - Car Parking - Business Rates increase	21		21			
PENT0005	PLANHOUS - Planning income pressures	200		200			
PENT0005	PLANHOUS - Staff Saving - 20-21 Staff Restructure Savings (£11,950) + £50k LDP senior officer saving, frozen until 23/24.				(62)		(62)
PENT0006	PLANHOUS- Homelessness - Increased costs due to change in WG policy	875	(651)	224			
PENT0007	MONLIFE - Shirehall income loss	70		70			
PENT0009	MONLIFE - Unachievable Vacancy Factor Frontline Services	106		106			
PENT0010	MONLIFE - Unbudgeted 20-21 Pay award	124		124			
PENT0011	MONLIFE - Contract & Energy Inflation	53		53			
PENT0012	NEIGHBOURHOOD - Waste - Additional budget requirement due to recurring pressures.	1,435		1,435			
PENT0012	NEIGHBOURHOOD - Waste - Service Savings				(685)		(685)
PENT0012	NEIGHBOURHOOD - Grounds Maintenance - Remove Sweeper & Staff savings				(65)		(65)
PENT0013	PLANHOUS & ENT - Project Manager resource *2, Business manager resource *1	149		149			

ENT0001	MONLIFE - Removal of Events Co-ordinator Post				(29)	4	(25)
ENT0003	MONLIFE - Introduce Car Parking Charges at Caldicot Castle				(20)		(20)
ENT0004	Increase in discretionary Fees & Charges				(64)		(64)
	ENT Totals	4,107	(651)	3,456	(925)	4	(921)

Ref	Chief Executive's Unit	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
PCEO0001	LEGALLAND - Land charges - income pressure.	40		40			
PCEO0001	LEGALLAND - Legal - External Income Pressure	40		40			
PCEO0002	GOVDEMSUP - Welsh Translation - increase in costs	22		22			
PCEO0003	GOVDEMSUP - Contact Centre - Restructure savings pressure	60		60			
PCEO0003	GOVDEMSUP - Contact Centre - Additional staff to cope with booking system at HWRC	33		33			
	COVID Recovery Resilience		91	91			
CEO003	GOVDEMSUP - Members Supplies & Services				(15)		(15)
CEO003	GOVDEMSUP - Staff Vacancy Saving				(17)		(17)
	CEO Totals	195	91	286	(32)	0	(32)

Ref	Resources	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
PRES0002	CORPLLORD - Estates Development Company Income Pressure	100		100			
PRES0002	CORPLLORD - Estates - Commercial income increase, not achieved in 20-21	200		200			
PRES0002	CORPLLORD - Cemeteries - Income pressure	31		31			
RES0002	CORPLLORD - Property Accommodation Savings.				(50)		(50)
RES0003	FUTUREMON - Mileage & Agency savings	112		112			
RES0003	FUTUREMON - Mileage Savings				(71)		(71)
RES0003	FUTUREMON - Staff Secondment Savings				(44)		(44)
PRES004	ICT - Increase in SRS Contribution	99		99			
PRES0005	PEOPLE - HR & Payroll Staff Pressure	113		113			
PRES0005	PEOPLE - Training income pressure	50		50			
PRES0005	PEOPLE - E-recruit & Onboarding Software	51		51			
	RES Totals	756	0	756	(165)	0	(165)

Ref	Corporate	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
Full cost briefing note	Insurance premium	131		131			
Full cost briefing note	Fire Authority precept	162	14	176			

Full cost briefing note	Pension strain costs	151		151			
Full cost briefing note	Digital Investment	0	300	300			
Full cost briefing note	Procurement SLA	0	208	208			
Full cost briefing note	Coroner levy	30		30			
Full cost briefing note	Crematorium distribution reduction	46		46			
	Apprenticeship NLW Foundation rate		103	103			
Full cost briefing note	Capitalisation directive				(1,000)	(508)	(1,508)
	CORP Totals	520	625	1,145	(1,000)	(508)	(1,508)

Ref	Appropriations	Draft Pressure £000	Move ment	Final Pressure £000	Draft Saving £000	Movem ent	Final Saving £000
Full cost briefing note	Additional borrowing in respect of Future schools tranche A, DFGs, and sewer plants	44		44			
Full cost briefing note	Net Minimum Revenue Provision (MRP) increase based on additional activity				275		275
	APP Totals	44	0	44	275	0	275

Prudential Indicators

Capital Expenditure £m	2020/21 Forecast	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget
Capital Fund Services	61.2	25.0	24.3	9.0	9.2

Capital Financing £m	2020/21 Forecast	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget
External Sources (Grants & S106 Contributions)	25.9	15.6	2.4	2.4	2.5
Own Resources (Capital receipt and reserves)	5.1	2.9	2.9	1.2	1.2
Borrowing & other Debt	30.2	6.5	19.0	5.4	5.5
Total	61.2	25.0	24.3	9.0	9.2

Gross Debt Forecast compared to CFR £m	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Debt (Inc. PFI, leases, right of use assets)	176.5	168.5	175.4	172.3	164.3
Capital Financing Requirement (Total)	213.8	213.9	226.3	225.2	224.0

<u>Authorised & Operational Borrowing Limits £m</u>	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Authorised limit - borrowing	247.0	246.5	259.8	258.7	257.5
Operational boundary - PFI, leases & right of use assets	4.4	4.4	4.4	4.4	4.4
Authorised Limit - total external debt	251.5	250.9	264.2	263.1	261.9
Operational Boundary - borrowing	216.8	216.3	229.6	228.5	227.3
Operational Boundary - PFI, leases & right of use assets	2.9	2.9	2.9	2.9	2.9
Operational Boundary - total external debt	219.8	219.2	232.5	231.4	230.2

Proportion of Financing Costs to net revenue stream	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Interest £m	4.0	3.5	3.7	3.8	3.6
MRP £m	6.1	6.4	6.6	6.5	6.7
Total Financing costs £m	10.1	9.9	10.3	10.3	10.3
Net Revenue Stream (£m)	155.1	161.5	168.9	177.6	185.0
Proportion of net revenue stream %	6.54%	6.15%	6.08%	5.80%	5.58%

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By virtue of paragraph(s) 12 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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1 Introduction

- 1.1 This Capital strategy gives a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability.
- 1.2 Decisions made this year on capital and treasury management will have financial consequences for the Authority for many years into the future. They are therefore subject to both a national regulatory framework and to local policy framework, summarised in this report.
- 1.3 It highlights that in the current climate of financial constraints and a continued Medium Term Financial Projection (MTFP) revenue budget gap, that expenditure on capital needs to remain within affordable limits. Demand for capital resources remains high and therefore inevitably, prioritisation of projects, leveraging in other sources of funding and working with partners remain key to meeting this demand.
- 1.4 The strategy highlights the key risks and considerations:
- Capital expenditure plans for the Council need to be affordable, prudent and sustainable.
 - The Council's Medium Term Financial Plan includes the revenue costs for the financing of the current capital programme to 2024/25. This will exclude any borrowing for any schemes which are self-financing over the life of the project.
 - If the level of capital expenditure funded by borrowing is required to be increased from that approved in the current programme it would need to be sanctioned by full Council.
 - Useable capital receipts provide a limited one-off resource to support financing of the capital programme. In recent years the Council has also made use of Welsh Government's guidance allowing flexible use of capital receipts to meet one-off costs associated with service reform. The Council has had to make use of this flexibility in 2019/20 and 2020/21 and plans to do similarly in 2021/22 and over the remaining three years of the MTFP. Useable capital receipts are forecast to reduce to £4.9m by the end of 2024/25 based on the capital MTFP. The continued use of capital receipts for this purpose is recognized as a necessary but unsustainable approach and has the added consequence of requiring the Council to fund any further and future capital investment through prudential borrowing where it cannot be met from other sources.
 - As per the agreed framework (detailed in the report) the current programme needs to be maintained within the agreed limits, therefore not putting additional pressure on the capital financing budgets that have been included in the 2021/22 revenue budget.

- Within the context of significant demands for capital resources and limited availability, there is the need to develop our use of the various strategic plans across the organisation which drive the need for capital investment and develop alternative strategies to meet demand so the Councils own capital programme is prioritised within an affordable framework. This will include clearer and corporate visibility and assessment of demand for schools, highways and other operational assets.
 - Approval of capital expenditure funded through borrowing locks the Council into committing revenue funding over a very long period (as long as 50 years+). With Minimum Revenue Provision (MRP) budgets increasing over the medium-term, the Authority needs to ensure its capital plans remain affordable and sustainable.
 - The prudential indicators, including borrowing limits, are in line with the final budget proposals presented to Cabinet and Council in March 2021.
- 1.5 The strategy will be reviewed and updated on an annual basis alongside the Treasury Management Strategy given both strategies are intrinsically linked. Consideration will be given in future to combining both strategies into one report to Council.

2 The Prudential Code

- 2.1 The objective of the Prudential Code is to ensure, within a clear framework, that the capital expenditure plans of local authorities are:
- **AFFORDABLE** - Total capital investment of the authority remains within sustainable limits. A local authority is required to consider the resources currently available to it and those estimated to be available in the future, together with the totality of its capital plans and income and expenditure forecasts in assessing affordability.
 - **PRUDENT** – The full Council set an authorised limit and operational boundary for external debt, these need to be consistent with the authority’s plans for affordable capital expenditure and financing, and with its treasury management policy statement and practices. Authorities should consider a balance between **security, liquidity and yield** which reflects their own risk appetite but which prioritises security and liquidity over yield.
 - **SUSTAINABLE** – taking into account the arrangements for repayment of debt (including through MRP) and consideration of risk and the potential impact on the authority’s overall financial sustainability in the medium to longer term.

And that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved and how these risks will be managed to levels that are acceptable to the organisation.

3 Capital Expenditure Management

3.1 The Code requires the Capital strategy to set out the long term context for capital expenditure investment decisions.

3.2 Property asset management

3.3 The Corporate Landlord Division of the Resources Directorate is the custodian of the Council's Asset management strategy in place, to ensure that the assets forming the Council's Property Estate continue to meet the needs of the Authority in the long term. As asset lives could be 60 years or more, for practical purposes, expenditure requirements for a minimum of 10 years should be assessed to prevent any deferred repair work increasing the total life costs of the assets. The main elements of the Asset Management strategy which are key to the Capital strategy are:

- A complete and accurate asset register is held & will be maintained. This will include Land & Buildings, Community assets, Heritage assets, Investment Properties and operational structures such as Sewerage pumping works.
- The required functionality & operational life of assets will be identified as a benchmark for condition assessments (e.g. from Corporate Plan)
- An increasing use of Condition surveys information (5 year rolling programme on key assets) to improve liability and responsibility data and facilitate improved decision making
- Maintenance and major works are identified from the surveys with timings optimised in order to minimise total asset life costs including maintenance and running costs
- Health and Safety works are flagged as a priority
- The Capital and Revenue spend levels per year will be identified and fed into the budget setting processes with the aim of not deferring spend which would increase extent of emergency works and total life costs
- Where costs and/or timing cannot be predicted with a reasonably high level of certainty an average forecast cost / timing should be used for planning purposes. Where the likelihood of occurrence as well as cost is highly uncertain, accounting good practice advocates a contingency plan should be put in place e.g. a preliminary design & program of works prepared, the required budget spread over several years and an earmarked reserve built up from annual repair budget
- Where an asset is held purely to generate income, as part of the business case, the recurrent expenditure required on those assets to maximise net income, will be identified and proposed for addition to budgets.
- The cost profile generated from the above process will be fed into the 4 year Capital Budget decision making process.
- Surplus assets and part assets have & will continue to be identified and an option appraisal carried out to determine if the asset should be sold to generate a capital receipt, developed and sold for a higher receipt, used to generate revenue income or transferred to a 3rd party for the benefit of the community. Under any of these

scenarios, end of life costs will need to be more transparently determined and budgeted.

3.4 Infrastructure asset management

3.5 Unlike property assets, Infrastructure assets are managed by the various divisions of Enterprise Directorate. They will still need to assess what expenditure is required over a minimum of 10 years to minimise the total life cost of their assets. To ensure that the Highways Network and other Infrastructure assets held by the Authority continue to meet the long term needs of the County and the Authority, the Authority will:

- Look to maintain a complete and accurate asset register for Highways Network Assets & any other assets maintained by the team including adjacent land, flood alleviation facilities and substations. The Council's infrastructure database hasn't historically had the same corporate importance as the property asset register, as it isn't used to substantiate data or support revaluations in the annual statement of accounts. An exercise will be necessary to confirm quality of data within the Highways system to support 10 year reporting of works.
- For the majority of these assets, the expectation is for necessary repairs and maintenance to keep the assets in working condition for the foreseeable future i.e. well beyond 10 years. If this is not the case, the required operational life should be recorded.
- The minimum acceptable level of condition must be defined for each asset or part asset. This is likely to be the level of condition below which lifecycle costs start to increase.
- Service officers have traditionally forecast a backlog of highways repair of circa £80m, but without explicit review. Condition surveys are carried out periodically, by a mixture of Scrim testing (skid resistance) or inspections at a predefined frequency dependent upon the type of road so deterioration of assets below the minimum standard is documented and can be forecast. This information will also be used to indicate if the number of assets falling below the minimum standard is increasing year on year indicating that budgets available need to be increased. The impact of varying budgets over the last 10 years should also be investigated to inform this process.
- Traffic & pedestrian surveys will be carried out periodically to better assess the future life of the assets. It is acknowledged that weather has a significant impact on the life of assets and that weather patterns are changing. This cannot be controlled but must be taken into account.
- Ensure that Health and Safety works are prioritised.

- One off major works expected to be required will also be identified with a latest completion date and estimated cost. This may include large one offs which are outside the normal workload of the Operations & Design teams.
- The maintenance and major works required on an annual basis to minimise total asset life costs are identified from the surveys and used to propose budgets required for budget setting for the next 10 years. The impact on total life costs, should sufficient budget not be allocated, should also be reported to members to inform decision making, as an improvement to simply identifying an unsubstantiated backlog of repairs.
- Where costs and/or timing cannot be predicted with a high level of certainty, (similar to property assets), an average forecast cost / frequency for groups of similar assets is advocated, and use of contributions to earmarked reserve encouraged to afford the volatility of as yet unquantified significant one off future works

3.6 **Investments for Service Purposes**

- 3.7 The Council has historically incurred the majority of its capital expenditure on the assets required to provide its services such as schools and office space.
- 3.8 However it may also invest in other entities for the wider economic and societal benefits of its communities or businesses. This may include making loans or (more recently) considering taking an equity interest in local bodies or the Council's subsidiaries & joint ventures which in turn contribute to services to Monmouthshire residents. It may also include providing guarantees to other bodies. In light of the public service objective, the Council traditionally is willing to take more risk on these investments than it would with more traditional treasury investments, which are more highly regulated, however any such arrangement should only be entered into if such investments are assessed to break even after all costs are taken into account or if the benefits of the scheme are considered to be worth the net cost.
- 3.9 Decisions on service related investments (e.g. vibrant homes loans afforded through WG repayable grant or economic development loans) can be made by the relevant service manager provided a 100% loss can be covered by the managers existing budgets. Should additional budget/funding be required in the event of a default, then before making the service expense/investment, the Head of Finance is required to be consulted and where member approval is felt necessary that the details and risks involved presented to Cabinet for approval. The criteria and limits laid down in the strategy for treasury Investments can be used as a comparator to measure risks against. Most loans and shares are capital expenditure and unless undertaken through the Commercial Investment delegation to Investment Committee, such decision requires approval of full Council to be added to the capital programme.

- 3.10 A list of investments for service purposes including loans and guarantees will be maintained by the Treasury team and they will be assessed at least annually and reported as part of the annual accounts and include:
- £40,000 of seed share capital was provided to SRS Business Solutions Ltd in 2011/12 alongside an equal amount from Torfaen County Borough Council
 - Foster carer loans
 - Low cost home ownership equity interest.
- 3.11 **Commercial Activities**
- 3.12 Following a sustained period of financial austerity and with financial support for local public services declining, the Council has invested in commercial property and other commercial investments to support ongoing revenue budgets and promote wider economic regeneration within the County and its borders.
- 3.13 Early in 2017/18 the Authority completed the construction of a Solar Farm for £5m.
- 3.14 In 2018/19, as part of a wider approved commercial investment budget of £50m and following creation of an Investment Committee to oversee this, the Council purchased a large unit at Castlegate Business Park for £8m and completed the purchase of Newport Leisure Park for £21m.
- 3.15 Given the ongoing pressures, risks and challenges as a result of the Covid-19 pandemic, investment of the remaining £21m commercial investment budget has been paused for the short-term.
- 3.16 Commercial investments will be revalued at least annually as part of the ongoing review of the Commercial investment portfolio, and the performance of these assets assessed regularly through the service budget monitoring of Corporate Landlord service, via reporting to the Investment Committee and annually to Audit Committee.
- 3.17 With the increased financial returns on investment available from commercial investment, the Council naturally accepts higher risk compared with traditional treasury investments. Risk exposures for property investments include a fall in capital value, vacancies, poor tenant performance, rent increases below inflation, lack of market appeal/obsolescence/cost to rectify and changes in legislation. For other non-treasury investments such as loans and equity, risks also include – fall in market value, poor repayment performance and insolvency/costs of debt recovery.
- 3.18 The Council has adopted a very prudent approach to the financial management of its commercial assets, in ensuring that business cases are predicated on affording the related borrowing before providing a net return to assist with revenue budget setting. It has also elected to treat such investments as capital expenditure and incur an explicit annual minimum revenue provision in affording the related borrowing,

whereas draft Welsh Government guidance permits flexibility to defer financing considerations to when property is sold, providing that the selling price can reasonably be anticipated to be greater than purchase price.

- 3.19 To date, commercial investments have focused primarily on property acquisition so the risks are managed by corporate landlord service assisted by external professionals where necessary. They will manage asset maintenance and the tenant/landlord interface including collecting income. They will review cashflows and assess/forecast the value, quality and diversity of the investments in order to propose any modifications required to the portfolio to increase return and/or reduce risk.
- 3.20 In order that commercial investments remain proportionate to the size of the authority and in keeping with principles of affordability, prudence and sustainability, the approved commercial investment budget was limited to £50m.
- 3.21 In the event that a property holding is deemed to be underperforming or fails to meet the related debt repayment costs, a review will be undertaken to see if it is possible to:
- Retain the asset and increase net returns
 - Dispose of the asset at a net profit compared to purchase price
 - Retain the asset for future capital gains
 - Maximise return on capital in another way
- 3.22 The Authority will continue to identify any of its historical investment properties which could provide a valuable capital receipt over and above the value to the Authority of holding the asset.
- 3.23 The responsibility and accountability to manage the risks associated with any non-property related commercial investments will rest with the service that has advocated the investment case, and they will retain the responsibility to update Investment Committee periodically with performance against the business case presented, and assist in the annual report preparation to Audit Committee.
- 3.24 Decisions on commercial investments are made by the Investment Committee in line with the criteria and limits within the Asset Management Strategy.
- 3.25 Further details of the selection process for commercial investments, the limits agreed with Council and details of the identification and management of the risks associated with commercial investments are in the Asset Management Strategy, Asset Investment Policy and other supporting documents.
- 3.26 **Other assets**

3.27 In addition to the Council Property Estate and the Infrastructure Assets, the Authority also owns and rents Heritage Assets, Vehicles and Plant & Equipment:

3.28 Currently no formal review is undertaken to confirm the benefit of retaining the Heritage assets portfolio. The introduction of capital strategy applies a more regular assessment of need against liability. This is proposed to be an increasing element of the asset management plan, and as a minimum it is proposed to adopt a formal 5 year review period.

3.29 The Vehicles and Plant, both owned and leased, are reviewed regularly by the Head of Finance in conjunction with the Transport Manager to minimise total life costs.

4 Capital Financing & the Capital Financing Requirement (our need to borrow)

4.1 All capital expenditure incurred has to be physically financed. The available sources of financing include:

- **Grants/External contributions** – these should be maximised but opportunities tend to be limited and specific to particular projects
- **Capital Support Grant** – this is fixed by the Welsh Government, is finite, but is at the discretion of Council how it is used.
- **Reserve/revenue funding** – the Authority currently forecasts Earmarked and total Council fund reserves to be £5.5m and £8.9m at 31st March 2021. Of the Earmarked reserves, only £609k is currently held for capital investment and therefore represents a limited source of capital financing
- **Capital receipts** - £6.5m of receipts are forecast to be generated over the MTFP window on top of the £7.4m forecast to be held at 31st March 2021. Of these, £9.5m has been allocated to finance capital expenditure over the MTFP window leaving only £4.4m forecast to be available to fund new schemes over the same period.

4.2 The planned financing of the capital expenditure is indicated in the table below:

Table 1: Capital financing in £m

	2020/21 Forecast	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget
External sources	28.3	18.0	4.9	4.9	4.9
Internal resources	5.0	2.9	2.9	1.2	1.2
Borrowing	27.8	4.1	16.5	3.0	3.1
TOTAL	61.2	25.0	24.3	9.0	9.2

- 4.3 Borrowing is often the only source of funding available once the limited external and internal resources have been exhausted. All borrowing has to be repaid and this includes both the actual debt principal plus interest costs on the debt.
- 4.4 In the current economic environment, with interest rates remaining low, borrowing is a cheaper source of financing than 10 years ago, but it only delays the need to finance capital expenditure which is ultimately met from the revenue budget in the form of interest and Minimum Revenue Provision.
- 4.5 The Council's cumulative outstanding amount of borrowing finance is measured by the Capital Financing Requirement (CFR). This increases with new borrowing-financed capital expenditure and reduces with MRP and capital receipts used to replace the borrowing.
- 4.6 Based on current revenue and capital budgets, the Authorities CFR is expected to remain broadly similar during 2021/22. The Council's estimated CFR and related MRP charges over the medium term are as follows:

Table 2: CFR and related MRP charges

	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Capital Financing Requirement (Total in £m)	213.8	213.9	226.3	225.2	224.0
Minimum Revenue Provision (£m)	6.1	6.4	6.6	6.5	6.7

- 4.7 With the pending introduction of IFRS 16 Leases, the CFR and borrowing identified as relating to leases is likely to increase, due to the change in the way that finance leases for lessees are treated. CIPFA LASAAC has taken the decision to defer the implementation of IFRS 16 Leases until 2022/23 in response to the pressures on council finance teams as a result of the COVID-19 pandemic.
- 4.8 The Council's minimum revenue provision policy should remain prudent and not subject to annual change. This policy has been reviewed within last 5 years by Members, and is a feature of the annual Treasury management strategy report received at this same meeting.

5 Capital Disposals and Receipts

- 5.1 The Council's Asset Management plan sets out the Council's vision, priorities and key actions associated with managing our assets. The aim is to ensure sustainability, and maximise the financial and social value of our assets for our communities. The ongoing challenging financial conditions mean we must have robust policies and

programmes in place to ensure our estate is lean, efficient, meets the needs of service users and is fit for purpose. The strategy also recognises the importance of maximising the income we can generate from our property assets and we have started to actively seek opportunities to increase revenue generation.

- 5.2 Any assets which are deemed to be surplus to service requirements will be identified for possible sale/income generation in consultation with the Estates department. The procedures governing disposals are captured in the Council’s Surplus asset disposal policy.
- 5.3 The Council anticipates the following capital receipts in the forthcoming financial years is as follows:

Table 3: Forecast Capital receipts

	2020/21 forecast	2021/22 forecast	2022/23 forecast	2023/24 forecast	2024/25 forecast
	£m	£m	£m	£m	£m
Forecast Receipts	7.8	5.0	1.3	0.1	0.1

- 5.4 Further specific details of planned asset disposals are included in the annual Capital MTFP deliberated by Members, with specific sales proposals being an exempt appendix from public reporting requirements due to potential to compromise of receipt maximisation.
- 5.5 Traditionally receipts have been earmarked to finance the Authorities 21st Century schools investment. In a change from previous practice, whilst the Council has further 21st Century schools aspirations, it is not proposed to advocate a similar approach to members in respect of tranche B. Schools based assets commonly have a useful life of 50 years +, and as such traditional long term loan funding can be sourced at competitive rates with limited annual revenue volatility. The Council derives greater revenue benefit by using capital receipts in affording replacement of short life assets, given the avoidance of proportionately more significant minimum revenue provision.

6 Setting Capital Budgets

Table 4: Capital Medium Term Financial Plan

	Indicative Budget	Indicative Budget	Indicative Budget	Indicative Budget

	2021/22	2022/23	2023/24	2024/25
Asset Management Schemes	1,929,276	1,929,276	1,929,276	1,929,276
School Development Schemes	14,383,334	13,681,287	50,000	50,000
Infrastructure & Transport Schemes	3,427,740	3,427,740	3,427,740	3,427,740
Regeneration Schemes	184,700	330,400	602,900	730,200
County Farms Schemes	300,773	300,773	300,773	300,773
Inclusion Schemes	1,150,000	1,150,000	1,150,000	1,150,000
ICT Schemes	361,000	203,000	0	0
Vehicles Leasing	1,500,000	1,500,000	1,500,000	1,500,000
Capitalisation Directive	2,207,500	2,207,500	507,500	507,500
Other Schemes	1,070,000	1,070,000	1,070,000	1,070,000
TOTAL EXPENDITURE	26,514,323	25,799,977	10,538,190	10,665,490

6.1 Member responsibility for assets rests with the Cabinet member for Whole Authority Resources. The main governance and approval process for capital investment is summarised as follows:

- Council approve the overall revenue and capital budgets following recommendations from Cabinet. They also approve the borrowing limits of which the capital programme will need to remain within (the Authorised limit). These limits are a key performance indicator for treasury management and ensure that capital expenditure is limited and borrowing remains within an affordable limit.
- Any variation of the Authorised borrowing limit can only be approved by Council.
- Council approve the Treasury Management, Investment & Borrowing strategies, which are intrinsically linked to capital expenditure and the capital strategy. Further details of these are provided in section 8.
- Items of capital investment are discussed and scrutinised at the Capital and Asset Management Working Group (CAMWG), which is made up of senior officers from all service areas. Discussion also includes asset disposals, where capital investment is required, prioritisation of that investment in line with the priority matrix and the overall asset management agenda.
- Recommendations on capital investment will be made by CAMWG to the Senior Leadership Team (SLT) following review of the project appraisal for onward inclusion in the capital budget and to be considered by Cabinet and Council.
- Monitoring of capital expenditure is reported to Cabinet, and includes update on capital receipts and impact on the revenue budget of the decisions made.
- The 2021/22 and forward capital budgets include investment in schemes which attract significant match funding from external bodies which services will be responsible for bidding for. The CAMWG will play a pivotal role in ensuring that this investment is properly aligned with the overall corporate plan priorities and is robustly assessed against the agreed priority matrix included below.

- 6.2 The identified backlog capital budget pressures that currently sit outside of the above capital MTFP total £133m and indicates that there is a higher call for capital expenditure than the Authority considers it can affordably finance. This means that capital schemes will have to be prioritised or the capital available has to be spread more thinly than is ideal. All stakeholders must recognise that funding capital expenditure by borrowing only defers the charge to revenue budgets to future years, but at the same time if capital maintenance works are deferred then the total life costs of supporting an asset are likely to increase. This effect is often veiled in medium term financial planning as asset lives are much longer than four years.
- 6.3 Annual investment included in the capital programme for property maintenance, highways maintenance, relevant specific capital grants and the 21st Century Schools programme will assist in addressing the highest priority backlog issues, focussing on worst condition first and risk. However, estate rationalisation programmes, closure/disposal of assets, asset transfers and other capital projects to refurbish or replace operational properties will also be utilised to offset the backlog funding required. This will not address the specific total backlog, but is a way of targeting the main issues in an affordable manner.
- 6.4 The below priority ranking matrix approved as part of the inaugural capital strategy assists the CAMWG and SLT with their considerations of future capital investment.

Aspect	Indicative Rank
Health & safety works (life & limb works)	1
Legal & regulatory obligations	1
Allow a balanced revenue budget to be set, or a net deficit in revenue spending to be positively addressed	2
Deliver corporate plan priorities	2
Attract significant 3 rd party or private match funding to the County	3
Spend to save transformational works (including flexible use of capital receipts)	3
Spend to earn net income – rents, interest and dividends	3

Create sustainable income streams – business rates and council tax	3
Asset management plan outcomes	4
Addresses major infrastructure investment	4

7 Revenue Budget Implications

7.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. These net annual charges are known as financing costs. The table below compares these financing costs to the net revenue stream i.e. the amount of income from Council Tax, business rates and general government grants. There is a moderate reduction in the forecast proportion of financing costs over the MTFP window which is reflective of the total revenue stream increasing in line with expected inflationary impacts whilst the financing budgets remain broadly stable.

Table 5: Proportion of financing costs to net revenue stream

Proportion of Financing Costs to net revenue stream	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Interest £m	4.0	3.5	3.7	3.8	3.6
MRP £m	6.1	6.4	6.6	6.5	6.7
Total Financing costs £m	10.1	9.9	10.3	10.3	10.3
Net Revenue Stream (£m)	155.1	161.5	168.9	177.6	185.0
Proportion of net revenue stream %	6.54%	6.15%	6.08%	5.80%	5.58%

7.2 **Sustainability:** Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years afterwards. The Director of Resources is satisfied that the proposed capital programme is prudent, affordable and sustainable because the financing costs have been spread over no more than, the lower of 50 years and the expected life of the resultant asset, so the assets will be paid for by the Council tax payers benefitting from them over the life of the assets. The financing costs for assets funded by borrowing are included in each annual revenue budget which is balanced before approval by Council.

8 Treasury Management

- 8.1 The Treasury management strategy (TMS) is considered alongside the Capital strategy at Council and the figures within it link directly to the impact of the borrowing resulting from the Capital strategy and the subsequent capital investment.
- 8.2 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council limits the need to take out actual borrowing by using positive cash flows, largely from reserves, to fund capital expenditure funded by borrowing, known as internal borrowing.
- 8.3 Based on historic capital expenditure and due to decisions taken in the past, the Council currently has £171.3m borrowing at a weighted average interest rate of 1.98% and £22.7m treasury investments at a weighted average rate of 0.53%.
- 8.4 **Borrowing strategy**
- 8.5 Whilst the Council has significant long term borrowing requirements, the Council's current strategy of funding capital expenditure is through utilising internal resources such as reserves (called 'internal borrowing') rather than undertaking new borrowing i.e. we defer taking out new long term borrowing and fund capital expenditure from day to day positive cash-flows for as long as we can.
- 8.6 By using this strategy, the Council can also minimise cash holding at a time when counterparty risk remains high. The interest rates achievable on the Council's investments are also significantly lower than the current rates payable on long term borrowing and this remains a primary driver for our current 'internally borrowed' strategy.
- 8.7 Whilst this strategy minimises investment counterparty risk, the risk of interest rate exposure is increased as the current low longer term borrowing rates may rise in the future. The market position is being constantly monitored in order to minimise this risk.
- 8.8 The Authority's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority's long-term plans change is a secondary objective. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.1%) and long-term fixed rate loans where the future cost is known but higher (currently 1.5% to 2.5%).

8.9 Projected levels of the Council’s total debt (which comprises borrowing, PFI liabilities & finance leases) are shown below, compared with the capital financing requirement.

Table 6: Gross Debt and the Capital Financing Requirement in £m

Gross Debt Forecast compared to CFR £m	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Debt (Inc. PFI, leases, right of use assets)	176.5	168.5	175.4	172.3	164.3
Capital Financing Requirement (Total)	213.8	213.9	226.3	225.2	224.0

8.10 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen in the table above, the Council expects to comply with this in the medium term.

8.11 **Affordable borrowing limit:** The Council is legally obliged to approve an affordable borrowing limit (also termed the ‘authorised limit’ for external debt) each year.

8.12 The ‘Operational borrowing limits’ over the medium term, have been set in line with the expected borrowing required to finance the current capital programme to 2024/25 and these act as a key management tool. If any increase to the authorised limit is required, including to borrow for investment/income generation schemes or regeneration investment (loans) this will need to be brought to Council for approval. The ‘Authorised borrowing limits’, provide a buffer for (i) the ability to manage day to day cash requirements and (ii) to undertake a level of borrowing early where appropriate / affordable.

Table 7: Authorised limit and operational boundary for external debt in £m

Authorised & Operational Borrowing Limits £m	2020/21 Forecast	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate
Authorised limit - borrowing	247.0	246.5	259.8	258.7	257.5
Operational boundary - PFI, leases & right of use assets	4.4	4.4	4.4	4.4	4.4
Authorised Limit - total external debt	251.5	250.9	264.2	263.1	261.9
Operational Boundary - borrowing	216.8	216.3	229.6	228.5	227.3
Operational Boundary - PFI, leases & right of use assets	2.9	2.9	2.9	2.9	2.9
Operational Boundary - total external debt	219.8	219.2	232.5	231.4	230.2

8.13 **Investment strategy**

- 8.14 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 8.15 The Councils strategy is to follow the priorities of security, liquidity and yield, in that order. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice. This reduces the risk of default by diversification and the use of dedicated and experienced fund managers and also can increase return.
- 8.16 The Council's strategy seeks to keep invested cash balances low and in doing so reducing external borrowing, which is more cost effective than chasing investment returns. The main exception to this approach is that the Council is required to demonstrate a commitment to keeping a £10m minimum investment balance to meet the requirements of a professional client under the Mifid II regulations (Markets in financial instruments directive).

Table 8: Treasury management investments in £m

	31.3.2021 forecast	31.3.2022 forecast	31.3.2023 forecast	31.3.2024 forecast
	£m	£m	£m	£m
Near-term	19.7	2.0	2.0	2.0
Longer-term	3.0	8.0	8.0	8.0
TOTAL	22.7	10.0	10.0	10.0

8.17 **Governance:** Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the S151 Officer or Deputy and their staff, who must act in line with the treasury management strategy currently approved by Members. The 2021/22 Strategy was considered by Audit Committee in February 2021 and is presented alongside this report for approval by full Council. In addition mid-year and treasury outturn reports on treasury management activity are presented to Audit Committee which is responsible for scrutinising treasury management decisions.

9 Controlling Risk

9.1 A significant aspect of the Capital strategy is involved with controlling & balancing various risks i.e.

- The credit risk of treasury investments – this is controlled using credit worthy institutions, diversification, limiting maturity, maximising the use of internal borrowing.
- The refinancing risk of treasury investments – controlling the profile of debt maturities.
- The interest rate risk of treasury activities. The Authority has opted to abide by an upper limit for the amount of net variable rate borrowing, but intends to adopt a simpler, more transparent indicator of variable rate borrowing as a proportion of total.
- The risks of providing loans and guarantees for service purposes need to be acknowledged and managed from the outset.
- The risks to the total net return on assets acquired for commercial income are expected to be higher than for assets acquired for service purposes and need to be fully assessed and managed from the outset.

9.2 In undertaking business loans to 3rd parties, commercial investment acquisition and proposing alternate business models there is an inherent risk that members and officers not having sufficient knowledge and skills of the sector concerned such that the risks and benefits may not be properly understood and managed. This is addressed by appropriate assessment, training and external advice.

10 Knowledge and Skills

10.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. For example, both the Director of Resources and Head of Commercial and Integrated Landlord Services are professionally qualified with longstanding senior practical experience. For both accountants and valuers, the Council offers particular training roles and also from a staff development perspective encourages and support wider staff to undertake study towards relevant professional qualifications and continuing professional development.

10.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisors, and Alder King as property investment advisors. This approach is more cost effective than employing such staff directly, and ensures that the Council has access to knowledge

and skills commensurate with its risk appetite. Arlingclose's assistance has been sourced through competitive tendering, and their fees paid independent of their advice.

11 Glossary of terms

- 11.1 Capital and treasury accounting is an area which traditionally involves the use of complicated technical terms. The following glossary is provided as to assist Members in their understanding.
- 11.2 **Capital expenditure** is defined as where the Council spends money on assets, such as property or vehicles that will be used for more than one year. In local government this includes spending on assets owned by other bodies and loans and grants to other bodies enabling them to buy assets. To meet capital definitions such expenditure needs to either create an asset, significantly extend its useful life or significant enhance its use. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £10,000 do not need to be capitalised if charged to revenue in year.
- 11.3 **Capital receipts and disposals** When capital assets are sold, the proceeds, known as capital receipts, can only be used to finance capital expenditure or following the capitalisation directive can extraordinarily be used for service re-design, transformation, shared services etc. 3rd party loan and investments repayment are treated capital receipts where the original expenditure met capital definitions.
- 11.4 **Capital Financing Requirement.** The Council's cumulative outstanding amount of debt used to finance capital expenditure is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and set-aside of capital receipts used to replace debt. The capital financing requirement isn't affected by capital expenditure afforded by receipts, grants or direct revenue financing.
- 11.5 **Supported and unsupported borrowing.** Welsh Government in their annual settlement calculation provide a degree of funding to assist with affording borrowing decisions. Any loans afforded through this route is termed "supported" borrowing. Councils will also afford extra "prudential" borrowing as part of business case evaluations, by allocating sufficient resources within their annual revenue budget to repay such debt. This is termed "unsupported" borrowing. Both sources make up the Council's debt position.
- 11.6 **Minimum Revenue Provision** Debt is only a temporary source of finance, since loans must be repaid, and this is therefore replaced over time by financing from the revenue budget which is known as the Minimum revenue provision (MRP).

- 11.7 **Set aside of capital receipts.** Capital receipts can be used to finance new capital expenditure, to replace debt financing already in the capital program or to replace debt financing applied in earlier years. This reduces the Council's capital financing requirement (CFR). This is known as the set-aside of capital receipts and reduces future years' MRP (Minimum revenue provision) repayments, part of the cost of debt in revenue.
- 11.8 **Council Fund reserve.** At the end of each financial year, as a result of the difference between expenditure and income levels, the Council experiences a revenue surplus, breakeven or deficit position. These annual positions are amalgamated into the Council Fund reserve. From a prudent financial planning point of view, the Council fund, together with the net effect of schools reserves constitute the level of reserve resourcing available to deal with unanticipated financial contingencies. Members traditionally ascribe to this level being between 4%-6% of net expenditure budget.
- 11.9 **Earmarked reserves.** Conversely earmarked reserves are those created and held for a specific purpose e.g. service specific positions, insurance risk mitigation, and IT reserve. They do play their part in the prudent financial management, in mitigating volatility in activity between years, but as the use of them is for a specific purpose, these balance levels aren't included in general financial contingency planning assumptions.

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