

# Public Document Pack



Neuadd y Sir  
Y Rhadyr  
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NP15 1GA

Dydd Llun, 18 Ionawr 2021

## Hysbysiad o gyfarfod

# Pwyllgor Craffu Oedolion

Dydd Mawrth, 26ain Ionawr, 2021 at 10.30 am  
Remote Meeting

## AGENDA

**BYDD CYFARFOD CYN I AELODAU'R PWYLLGOR 30 COFNODION CYN I'R  
CYCHWYN Y CYFARFOD**

Eitem ddim	Eitem	Tudalennau
1.	Ymddiheuriadau am absenoldeb	
2.	Datganiadau o Fuddiant	
3.	Fforwm Agored i'r Cyhoedd	
4.	Monitro Cyllideb: Craffu ar sefyllfa monitro cyfalaf a reffeniw'r gyllideb ym Mis 7, gan osod y cyd-destun ar gyfer craffu ar gynigion cyllidebol.	1 - 54
5.	Craffu ar y Gyllideb: Craffu ar gynigion y gyllideb ar gyfer 2021/22  Defnyddiwch y ddolen hon i gyrchu'r papurau ar gyfer yr eitem hon, os gwelwch yn dda - ar gael fel rhan o agenda'r Cabinet 20 <sup>fed</sup> Ionawr 2021.  <a href="#">Cliciwch Yma</a>	55 - 88
6.	Cadarnhau cofnodion y cyfarfod blaenorol	89 - 94
7.	Blaenraglen Gwaith y Pwyllgor Dethol Oedolion	95 - 96
8.	Blaengynllunydd Gwaith y Cyngor a'r Cabinet	97 - 112
9.	Cadarnhau dyddiad ac amser y cyfarfod nesaf fel 16eg Mawrth 2021	

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**Paul Matthews**

**Prif Weithredwr**

## CYNGOR SIR FYNWY

### MAE CYFANSODDIAD Y PWYLLGOR FEL SY'N DILYN:

Cynghorwyr Sir:

L.Brown  
R. Edwards  
M.Groucutt  
R. Harris  
S. Howarth  
M.Lane  
P.Pavia  
M. Powell  
S. Woodhouse  
C. Bowie  
T. Crowhurst

### **Gwybodaeth Gyhoeddus**

#### **Mynediad i gopïau papur o agendâu ac adroddiadau**

Gellir darparu copi o'r agenda hwn ac adroddiadau perthnasol i aelodau'r cyhoedd sy'n mynychu cyfarfod drwy ofyn am gopi gan Gwasanaethau Democrataidd ar 01633 644219. Dylid nodi fod yn rhaid i ni dderbyn 24 awr o hysbysiad cyn y cyfarfod er mwyn darparu copi caled o'r agenda hwn i chi.

#### **Edrych ar y cyfarfod ar-lein**

Gellir gweld y cyfarfod ar-lein yn fyw neu'n dilyn y cyfarfod drwy fynd i [www.monmouthshire.gov.uk](http://www.monmouthshire.gov.uk) neu drwy ymweld â'n tudalen Youtube drwy chwilio am MonmouthshireCC. Drwy fynd i mewn i'r ystafell gyfarfod, fel aelod o'r cyhoedd neu i gymryd rhan yn y cyfarfod, rydych yn caniatáu i gael eich ffilmio ac i ddefnydd posibl y delweddau a'r recordiadau sain hynny gan y Cyngor.

#### **Y Gymraeg**

Mae'r Cyngor yn croesawu cyfraniadau gan aelodau'r cyhoedd drwy gyfrwng y Gymraeg neu'r Saesneg. Gofynnwn gyda dyledus barch i chi roi 5 diwrnod o hysbysiad cyn y cyfarfod os dymunwch siarad yn Gymraeg fel y gallwn ddarparu ar gyfer eich anghenion.

# Nodau a Gwerthoedd Cyngor Sir Fynwy

## Cymunedau Cynaliadwy a Chryf

### Canlyniadau y gweithiwn i'w cyflawni

#### Neb yn cael ei adael ar ôl

- Gall pobl hŷn fyw bywyd da
- Pobl â mynediad i dai addas a fforddiadwy
- Pobl â mynediad a symudedd da

#### Pobl yn hyderus, galluog ac yn cymryd rhan

- Camddefnyddio alcohol a chyffuriau ddim yn effeithio ar fywydau pobl
- Teuluoedd yn cael eu cefnogi
- Pobl yn teimlo'n ddiogel

#### Ein sir yn ffynnu

- Busnes a menter
- Pobl â mynediad i ddysgu ymarferol a hyblyg
- Pobl yn diogelu ac yn cyfoethogi'r amgylchedd

### Ein blaenoriaethau

- Ysgolion
- Diogelu pobl agored i niwed
- Cefnogi busnes a chreu swyddi
- Cynnal gwasanaethau sy'n hygyrch yn lleol

### Ein gwerthoedd

- **Bod yn agored:** anelwn fod yn agored ac onest i ddatblygu perthnasoedd ymddiriedus
- **Tegwch:** anelwn ddarparu dewis teg, cyfleoedd a phrofiadau a dod yn sefydliad a adeiladwyd ar barch un at y llall.
- **Hyblygrwydd:** anelwn fod yn hyblyg yn ein syniadau a'n gweithredoedd i ddod yn sefydliad effeithlon ac effeithiol.
- **Gwaith tîm:** anelwn gydweithio i rannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd i gyflawni ein nodau.

## Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 7

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Social Care, Health & Safeguarding	50,685	(170)	50,515	52,222	1,707	1,448	259
Children & Young People	55,539	514	56,053	56,178	125	19	106
Enterprise	24,132	(1,511)	22,621	27,238	4,617	5,113	(496)
Chief Executives Unit	4,745	4	4,749	4,811	62	144	(82)
Resources	7,746	30	7,776	7,969	193	694	(501)
Corporate Costs & Levies	22,743	229	22,972	23,014	42	66	(24)
<b>Net Cost of Services</b>	<b>165,590</b>	<b>(904)</b>	<b>164,686</b>	<b>171,432</b>	<b>6,746</b>	<b>7,484</b>	<b>(738)</b>
Appropriations	4,857	1,163	6,020	5,857	(163)	(83)	(80)
Expenditure to be Financed	170,447	259	170,706	177,289	6,583	7,401	(818)
Financing	(170,447)	(259)	(170,706)	(170,863)	(157)	20	(177)
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,426</b>	<b>6,426</b>	<b>7,421</b>	<b>(995)</b>

Table 2: Council Fund 2020/21 Outturn Forecast Detailed Statement at Month 7

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	7,877	(55)	7,822	8,002	180	156	24
Children Services	14,428	(63)	14,365	15,825	1,460	1,459	1
Community Care	24,434	30	24,464	24,460	(4)	(209)	205
Commissioning	1,483	(65)	1,418	1,315	(103)	(63)	(40)
Partnerships	436	0	436	436	0	0	(0)
Public Protection	1,481	(14)	1,467	1,645	178	109	69
Resources & Performance	546	(3)	543	539	(4)	(5)	1
<b>Social Care, Health &amp; Safeguarding</b>	<b>50,685</b>	<b>(170)</b>	<b>50,515</b>	<b>52,222</b>	<b>1,707</b>	<b>1,448</b>	<b>259</b>
Individual Schools Budget	47,420	(356)	47,064	46,748	(316)	(264)	(52)
Resources	1,234	(9)	1,225	1,239	14	22	(8)
Standards	6,885	879	7,764	8,191	427	261	166
<b>Children &amp; Young People</b>	<b>55,539</b>	<b>514</b>	<b>56,053</b>	<b>56,178</b>	<b>125</b>	<b>19</b>	<b>106</b>
Business Growth and Enterprise	2,468	(168)	2,300	2,250	(50)	29	(79)
Facilities & Fleet Management	5,665	(1,266)	4,399	5,621	1,222	1,097	125
Neighbourhood Services	10,483	(26)	10,457	11,240	783	1,153	(370)
Planning, Housing, Highways Development & Flooding	1,951	(133)	1,818	2,811	993	1,067	(74)
Countryside & Culture (MonLife)	1,348	(8)	1,340	1,422	82	40	42
Finance & Business Development (MonLife)	1,507	116	1,623	1,516	(107)	(150)	43
Leisure, Youth & Outdoor Adventure (MonLife)	710	(26)	684	2,378	1,694	1,877	(183)

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
<b>Enterprise</b>	<b>24,132</b>	<b>(1,511)</b>	<b>22,621</b>	<b>27,238</b>	<b>4,617</b>	<b>5,113</b>	<b>(496)</b>
Legal & Land Charges	839	(6)	833	873	40	92	(52)
Governance, Democracy & Support	3,906	10	3,916	3,938	22	52	(30)
<b>Chief Executives Unit</b>	<b>4,745</b>	<b>4</b>	<b>4,749</b>	<b>4,811</b>	<b>62</b>	<b>144</b>	<b>(82)</b>
Finance	2,597	(63)	2,534	2,707	173	189	(16)
Information, Communication Technology	2,803	135	2,938	2,507	(431)	(128)	(303)
People	1,725	50	1,775	1,707	(68)	6	(74)
Future Monmouthshire	(46)	(25)	(71)	11	82	112	(30)
Commercial & Corporate Landlord	667	(67)	600	1,037	437	515	(78)
<b>Resources</b>	<b>7,746</b>	<b>30</b>	<b>7,776</b>	<b>7,969</b>	<b>193</b>	<b>694</b>	<b>(501)</b>
Precepts & Levies	20,379	1	20,380	20,382	2	2	(0)
Coroner's	117	0	117	140	23	23	(0)
Archives	182	0	182	182	0	0	(0)
Corporate Management	293	0	293	101	(192)	(114)	(78)
Non Distributed Costs (NDC)	492	0	492	707	215	108	107
Strategic Initiatives	(167)	228	61	0	(61)	0	(61)
Insurance	1,447	0	1,447	1,502	55	46	9
<b>Corporate Costs &amp; Levies</b>	<b>22,743</b>	<b>229</b>	<b>22,972</b>	<b>23,014</b>	<b>42</b>	<b>66</b>	<b>(24)</b>
<b>Net Cost of Services</b>	<b>165,590</b>	<b>(904)</b>	<b>164,686</b>	<b>171,432</b>	<b>6,746</b>	<b>7,484</b>	<b>(738)</b>
Fixed Asset Disposal Costs	20	45	65	71	6	25	(19)
Interest & Investment Income	(252)	0	(252)	(90)	162	181	(19)
Interest Payable & Similar Charges	4,020	27	4,047	3,817	(230)	(164)	(66)
Charges Required under Regulation	6,251	(108)	6,143	6,061	(82)	(113)	31

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
Other Investment Income	(1,153)	1,153	0	(14)	(14)	(12)	(2)
Borrowing Cost Recoupment	(3,425)	50	(3,375)	(3,380)	(5)	(0)	(5)
Contributions to Reserves	143	0	143	143	0	0	0
Contributions from reserves	(747)	(4)	(751)	(751)	0	0	0
<b>Appropriations</b>	<b>4,857</b>	<b>1,163</b>	<b>6,020</b>	<b>5,857</b>	<b>(163)</b>	<b>(83)</b>	<b>(80)</b>
<b>Expenditure to be Financed</b>	<b>170,447</b>	<b>259</b>	<b>170,706</b>	<b>177,289</b>	<b>6,583</b>	<b>7,401</b>	<b>(818)</b>
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)	(259)	(79,831)	(80,216)	(385)	(305)	(80)
Council Tax Benefit Support	6,885	0	6,885	7,113	228	324	(96)
<b>Financing</b>	<b>(170,447)</b>	<b>(259)</b>	<b>(170,706)</b>	<b>(170,863)</b>	<b>(157)</b>	<b>20</b>	<b>(177)</b>
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,426</b>	<b>6,426</b>	<b>7,421</b>	<b>(995)</b>



## DIRECTORATE – DIVISION VARIANCE COMMENTS

<b>SOCIAL CARE, HEALTH &amp; SAFEGUARDING</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,630	1,448	<b>1,707</b>		

### **SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY:**

The month 7 directorate forecast outturn for 2020/21 shows an overspend of £1.707m, a marginal increase since M5 of £259k, after accounting for the Social Care Workforce and Sustainability Grant from Welsh Government of £984k. At M7, our Children Looked After numbers stand at 222 (remaining at the same overall number since month 5) and significant income has been lost in Registrars resulting from the COVID-19 pandemic and cancelled appointments. The Welsh Government has yet to commit to their level of funding to cover the loss of pre booking wedding ceremonies. Of the overall over spend; £346k is because of the pressure from the additional 1.75% unfunded staff pay award and £242k from the 2% staff efficiency saving being deemed unachievable.

The **Adult Services** division is forecasting an overspend of £69k mainly due to the increase in care packages in Monmouth and spend in our own care at home service, partially offset by reduced activity resulting from COVID-19 with the closure of day centres and our in house respite facilities. This area of the directorate has benefitted in year from the Social Care Workforce and Sustainability Grant (SCWS) and Intermediate Care Funding (ICF), with the ICF having a planned termination date of 31<sup>st</sup> March 2022. The SCWS grant of circa £1m is expected to continue into 2021/22, however as it sits outside of core Welsh Government funding it is important to highlight as a budgetary risk moving forward given that the amount could vary, additional grant terms could be applied or it may cease.

**Children's Services** has a predicted overspend of £1.460m, which remains unchanged since the reported M5 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 222 and legal costs still remain at a predicted over spend of £238k.

**Public Protection** continues to strive to remain within its budget allocation, but the COVID 19 pandemic has hit this small service hard and is estimating an overspend of £178K. This is due to the indication that income loss in Registrars may not be fully funded by Welsh Government resulting from cancelled marriages and people not pre booking ceremonies because of COVID-19. Welsh Government have indicated that they will review the overall position towards the end of the financial year and assess if they consider Local Authorities losses to only be delayed or indeed lost.

### **ADULT SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	24	156	<b>180</b>		

Due to the additional pay award, not achieving the 2% staff efficiency saving and additional spend in the care at home service.

### **CHILDREN SERVICES**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,575	1,459	<b>1,460</b>		

£1m overspend in providing care and placements for our 222 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 / <b>(Surplus)</b> £'000s	(63)	(209)	(4)		

Mainly on budget but this is being held up by a circa £1m SCWS grant which ends this financial year.

### COMMISSIONING

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'s	(118)	(63)	(103)		

Ongoing vacant Commissioning Officer post and realignment of Service Level Agreements and Contracts, but reduced by increased staff pay award.

### PUBLIC PROTECTION

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'s	211	109	178		

Due to the indication that income loss in Registrars may not be fully funded by Welsh Government resulting from cancelled marriages and people not pre booking ceremonies because of COVID-19. Welsh Government have indicated that they will review the overall position towards the end of the financial year and assess if they consider Local Authorities losses to only be delayed or indeed lost.

### RESOURCES & PERFORMANCE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	1	(5)	(4)		

As a result of previous vacant posts within the Finance team, diluted slightly by the increased staff pay award.

CHILDREN & YOUNG PEOPLE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	84	19	125		

### CHILDREN & YOUNG PEOPLE DIRECTOR'S COMMENTARY:

The Directorate's Month 7 position is an over spend of £125k, which is largely due to the overspend on ALN. However, this has been partially offset by the surplus balance following the closure of Mounton House, which has been transferred to the central CYP budgets to support the wider education budgets.

### INDIVIDUAL SCHOOLS BUDGET

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	0	(264)	(316)		

Increase in underspend of £52k is due to the Post 16 Teacher Pay Award being funded.

## RESOURCES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	37	22	14		

Additional IT Licence costs reported at month 5, are now due to materialise in 2021-22.

## STANDARDS

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	47	261	426		

- Recoupment increased by (income received from other LA's) (£241,000)
- Independent placement costs overspent by £115,000
- Other LA placement costs overspent by £130,000
- Additional support for pupils attending our schools overspent by £495,000
- Underspend on early years (rising 3's) due to school closure (£150,000)
- Overspend on breakfast clubs £88,000

Within the overspend of £495,000 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 overspend, the fees paid for the other schools would have resulted in the overspend being higher.

Included in the independent placement costs is £108,000 relating to the three remaining pupils at Mounon House, the funding has been transferred from Mounon House to support this.

Breakfast clubs have seen a reduction in numbers since re-opening following the Summer Term lockdown, which has led to a reduction in income.

ENTERPRISE	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	5,950	5,113	4,617		

### ENTERPRISE DIRECTOR'S COMMENTARY:

The Enterprise and MonLife Directorate is forecasting an outturn position of £4.617m adverse at month 7. The impact of COVID-19 has been 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.

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 ongoing social distancing, bubble 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 are looking to ensure that all eligible additional costs and income losses will be claimed against any Welsh Government funding being made available.

## BUSINESS GROWTH & ENTERPRISE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	46	29	(50)		

Business Growth & Enterprise is forecasting a £50k underspend, this can be split down to the following:

**Abergavenny Borough Theatre** – Break-even, the theatre was expecting a £56k overspend but have benefitted from an Arts Council for Wales grant to help fund running costs during Covid-19 lockdown. This is the reason for the positive swing from Month 5.

- **Communications** - £4k underspend due to improved income.
- **Community & Partnership Development** - £21k underspend, this is mainly due to staff savings as we have been able to passport core costs to grant funding.
- **Enterprise Management** - £17k overspend due to unfunded pay award.
- **Strategic Projects** - £42k 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		

Facilities & Fleet Management is forecasting to overspend by £1,222k – the services within this area are being heavily impacted by the Covid-19 outbreak.

- **Catering** - £409k overspend. The service is anticipating a £596k shortfall in school meal income due to the effect of Covid-19. Schools were closed until mid-July and we are only forecasting meal uptake to be 40% of normal levels for the rest of the year now that pupils have returned. This has been part offset by a reduction in supplies and services due to the reduced meal numbers and staff furlough credits. In addition we are also experiencing pressure on our free school meal budget, the number of pupils entitled to Free School Meals (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** - £22k underspend. Forecasted income levels remain similar to last year so we are anticipating an under spend against budget. The level of cleaning within our buildings and schools has increased due to Covid-19 requirements and the extra cleaning hours are funded 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-19.

- **Passenger Transport** - £631k overspend, due in the main to:-

- Private Hire & Service 65 - £259k loss of private hire income, as we anticipate no private hires, school trips etc. for the rest of the year.

- School Transport Operations - £402k overspend, combination of historic staff pressure c/fwd from 2019-20 and estimated additional hours required to cover new Covid-19 transport arrangements and additional staffing required to cover recent contract hand backs.
- Commissioning - £29k underspend, due to :-
  - Staff vacancies.
  - A 25% reduction in contractor payments for Apr-Aug during Covid-19 lockdown.
    - 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** - £204k 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-19 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		

Neighbourhood services is forecasting to overspend by £783k – 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 a one-off saving, as we will only see a part year financing loan repayment in 2020-21. Highways Operations and Swtra are currently forecasting to break-even.
- **Waste & Street Scene** - £854k overspend – This can be broken down into 2 main areas:-
  - Waste Services - £698k overspend due to:-
    - Staff Costs overspending by £231k due to the need to bring in more resource to cope with the impact of Covid-19. This forecast assumes social distancing measures will continue until financial year-end.
    - Vehicle Hire & running costs increasing by £61k – 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 £56k – The lockdown has meant that trade income and re-use shop income will not hit budget.
    - Non-Covid related pressures - £350k – 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. In addition we have moved £101k of revenue spend relating to service transformation to capital as part of the capitalisation directive, this is one of the reasons for the improvement from Month 5.
  - Grounds Maintenance – £157k overspend – the service has been greatly affected by the Covid-19 outbreak, grounds staff and vehicles were initially redeployed to help in the waste service so external income generation has been affected.

Both services have benefitted in quarter 1 from WG Covid-19 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 the position will improve.

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	1,011	1,067	993		

Planning & Housing is forecasting to overspend by £993k.

- **Planning & Building Control** - £199k net overspend mainly due to shortfalls in planning income and building control fees because of Covid-19 lockdown.
- **Planning Policy** - £175k underspend, due to £128k of RLDP costs being moved to the capitalisation directive and an underspend of £47k of professional and specialist fees costs due to delays in the LDP.
- **Housing** is forecasting a £567k 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 £223k.
    - We are estimating Emergency hostel increases of £260k due to additional security measures.
    - Increased private rental costs of £44k, 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-19 Hardship fund.
  - Reduced income in Renovation grants as Covid-19 lockdown has affected fees (£50k).
  - £5k overspend in software costs.
- **Car Parking, Highways Development & Flooding** - £402k overspend. Main areas:-
  - Car Parks overspending by £592k – Pay & Display and Parking Enforcement income has been affected by the Covid-19 lockdown and we are anticipating a £525k shortfall on our income budget, in addition, we have increased costs in rates, transport and supplies and services of £67k. 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		

**Countryside & Culture** is forecasting a £81k 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-19

### (MONLIFE) Finance & Business Development

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	(118)	(150)	(106)		

Finance & Business Development is forecasting to underspend by £106k. There has been lost income due to Covid-19 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.

### (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		

**Leisure, Youth & Outdoor Adventure** is forecasting a £1,694k overspend.

**Leisure Centres** are reporting a combined overspend of £1,573k. Even though our 4 centres re-opened earlier than expected, we have not been able to fully open all facilities and because of social distancing, have introduced restrictions on numbers. Significant numbers of people (3,000) are continuing to freeze their memberships but we have seen a large number of cancellations (2,000 to date) resulting in a big hit on income generation. Outdoor Adventure is forecasting a £177k 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 M5 as we have received qtr1 income loss grant from WG.

The **Youth & Community Team** is reporting a £55k underspend due to staff vacancies.

The department has benefitted in quarter 1 from WG Covid-19 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.

<b>CHIEF EXECUTIVES UNIT</b>	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	187	144	62		

#### **LEGAL & LAND CHARGES**

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	78	92	40		

Land Charges is forecasting to overspend by £50k due to a reduction in income as a result of the impact Covid-19 has had on the Housing market. This is a £13k improvement from month 5 as income activity has been higher than previously anticipated.

Legal is forecasting to underspend by £11k; this is mainly due to savings in employee costs as it has been decided not to fill the employment lawyers post, this saving has been offset by decreased fee income. This is a £39k improvement from month 5 mainly due to the decision not to fill the post in the structure.

#### **GOVERNANCE, DEMOCRACY & SUPPORT**

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	109	52	23		

Community Hubs are forecasting to overspend by £10k this is due to over spends in Usk PO, as this budget area is not being completely funded and therefore running at a loss, also there is insufficient budget provision 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. The £7k adverse variance from Month 5 is due to the requirement to purchase more books, it was thought at month 5 that this would not be needed due to the Hubs being closed for a period of time.

The Contact Centre is reporting a £29k overspend, this is down to staff costs exceeding budget as restructure savings are put on hold whilst we deal with Covid-19 issues.

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.

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. The £34k improvement from month 5 is due to further reductions in supplies and services.

Policy and Partnerships is forecasting to overspend by £19k, this is mainly due to an increase in Welsh Language Translation costs.

<b>RESOURCES</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	782	694	193		

#### **RESOURCES DIRECTORS COMMENTARY:**

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 £193k 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.

There is a significant pressure of £429k 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 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 positive variance identified since month 5 can largely be attributed to the capitalisation of eligible costs as part of the increase in capitalisation directive that was approved at month 5. £309k of Digital programme office costs, £66k of transformational costs and £36k of collaborative costs have been capitalised since month 5.

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 forecast over spend.

#### **FINANCE**

<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	137	189	173		

**Finance** - £262k underspend - as a result of senior Finance staff vacancies and maternity leave. This forecast currently assumes these posts will remain vacant for rest of year.

**Audit** - £36k underspend due to staff savings as we have funded collaboration costs through capital as part of capitalisation directive.

**Revenues** - £533k overspend. The outturn has been heavily impacted by Covid-19:

- Benefits is forecasting a £429k 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 (although we are starting to see some levelling off) Not all this expenditure qualifies for housing benefit subsidy, which is resulting in a budget pressure which will likely continue beyond this financial year.

- Council Tax is forecasting a £125k overspend, £86k of this relates to an anticipated shortfall in summons income, following the closure of courts and the decision to temporarily halt recovery for unpaid council tax and business rates, as a result of COVID-19. The remaining balance relates to a



staffing overspend as budget has been moved as part of the Resources restructure, this has been offset by underspends within Finance as detailed above.

- Debtors is underspending by £18k due to a staff vacancy saving, due to the financial impact of Covid-19, a decision has been made not to fill this post.

**Systems & Cashiers** - £62k underspend – main reasons relate to software and system development savings and security carrier costs as activity is down due to Covid-19 shutdown.

## INFORMATION, COMMUNICATION & TECHNOLOGY

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	40	(128)	(431)		

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 2020-21 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.

The improvement from month 5 relates to the movement of digital programme office staff costs to capital; this was not included at Month 5.

## PEOPLE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	(2)	6	(68)		

The department is forecasting to break-even this year but there are variations amongst sections, the main being:-

- **People Services** - £8k overspend, this is due to a shortfall in training income due to Covid-19 of £37k part offset by staff savings within HR of £29k due to staff savings, as posts have only been filled part way through the year.
- **Organisational Development** - £62k 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** - £14k underspend due to a reduction in professional fees.

The improvement from Month 5 of £74k is mainly down to the decision to move staff costs within organisational development to capital.

## FUTURE MONMOUTHSHIRE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	112	112	82		

**Future Monmouthshire** is forecasting to overspend by £82k. £112k of Corporate Agency and travel savings have been built into the budget for 2020-21 – 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, as we are covering secondment costs of a member of staff from WG. This was not factored in at month 5 and so is the reason for the improvement.

## COMMERCIAL & CORPORATE LANDLORD

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / (Surplus) £'000s	495	515	437		

**Commercial & Corporate Landlord** is forecasting a £437k overspend:-

• **Investment Properties** is forecasting a combined overspend of £393k, this can be split into 2 areas:-

- Investment Assets other - £200k overspend, our MTFP for 2020-21 included a £200k saving to reflect additional income from the purchase of more investment properties. Currently (and in part due to Covid-19) there are no further purchases in the pipeline this year so this saving is unachievable.
- Castlegate and Newport Leisure Park's (NLP) combined surplus for 2020-21 is estimated to be £417k, although we are more than covering costs this is short on our budgeted target of £609k and we are forecasting a £193k overspend for this year. This is mainly down to a rental income reduction at our NLP site of £265k as we have seen another unit closure and are anticipating a hit on rentals due to the impact Covid-19 is having on the Leisure & Retail sector. Castlegate is forecasting to underspend by £73k, we have benefitted from a one-off windfall of £117k as Alder King have paid over tenant loan repayments that they were holding on our behalf, this has been offset by a £40k anticipated overspend on consultant and maintenance costs.

• **Estates** - £133k over spend. This is mainly due to income not reaching budgeted levels due to 3 issues:

- 1) vacant office space in the Magor means that 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 our tenant BAM.

All 3 total a shortfall of £244k. This is currently being offset by net staffing savings of £111k due to vacant posts only being filled part way through the year.

• **Solar Farm** - £66k underspend - even though we have seen ROC unit prices fall due to the drop-off in demand due to Covid-19 lockdown, the solar farm is still generating a surplus, this is a £17k improvement from month 5 mainly due to maintenance costs reducing.

• **County Farms** - £7k overspend, mainly due to rates increases.

• **Cemeteries** - £38k overspend mainly due to increased maintenance work on trees and boundary walls. We have seen less burials due to COVID-19 rules but we are confident that income will remain at 2019/20 levels.

• **Markets** - £160k overspend. This is mainly due to income loss as turnover has been affected by the Covid-19 shutdown and an increase in waste collection charges, but this is offset by staff savings of £20k due to the delayed appointment of the Deputy Markets manager.

• **Industrial units** - £13k overspend mainly due to the cost of EPC surveys and a reduction in rental income.

• **Property Services & Facilities Mgt** is forecasting a £212k underspend, made up as follows:-

- Property & Office Services are forecasting a combined underspend of £102k, 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 £100k. 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 Covid-19.
- Telephony is forecasting to underspend by £10k as contracted call charges are expected to come in below budget.

<b>CORPORATE COSTS &amp; LEVIES</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,480	66	42		
<b>PRECEPTS &amp; LEVIES</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	2	2	2		
Small overspend on National parks levy of £2k due to notification of levy late in the budget process.					
<b>CORONERS SERVICES</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	23	23	23		
An increase in workload and staffing requirements along with DDA compliance works will lead to a forecast £23k overspend against budget.					
<b>CORPORATE MANAGEMENT</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	(114)	(191)		
Primarily due to the forecast receipt receivable on the final dissolution of Capita Gwent Consultancy alongside rate refunds on Authority owned premises, which were not known about at month 5.					
<b>NON DISTRIBUTED COSTS</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	108	108	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. A further increase over and above the month 5 figure is now reported due to further notification of some significant early retirements.					
<b>STRATEGIC INITIATIVES</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,300	0	(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.					
<b>INSURANCE</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	47	46	56		

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 Covid-19 has led to significant travel claims relating to cancelled school trips. It should be noted that 2021/22 will see a full year impact of these events, which will need to be taken account of in budget setting.

<b>APPROPRIATIONS</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(77)	(83)	(163)		
<b>FIXED ASSET DISPOSAL COSTS</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	25	6		
Costs forecast over and above the current budget due to unforeseen surveys and studies relating to disposal sites. Clarification since month 5 of some costs that were classified as capital in nature and subsequently moved.					
<b>INTEREST &amp; INVESTMENT INCOME</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	163	181	162		
The forecast rate of return achievable following the Covid-19 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. Since month 5 income returns on pooled funds have recovered to a level not predicted at month 5 and consequently have improved the forecast.					
<b>INTEREST PAYABLE &amp; SIMILAR CHARGES</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(126)	(164)	(230)		
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 has 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.					
<b>CHARGES REQUIRED UNDER REGULATION</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(113)	(113)	(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. Since month 5, a more detailed piece of work has been undertaken on this large budget and the forecast has been refined.					
<b>OTHER INVESTMENT INCOME</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	(1)	(12)	(14)		

Unexpected recoupment following the final winding up of Heritable bank, which had previously defaulted.

<b>FINANCING</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	336	20	<b>(157)</b>		
<b>COUNCIL TAX BENEFIT SUPPORT</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	336	324	<b>229</b>		
<p>This budget continues to be under particular pressure, as a direct result of Covid-19. Since the beginning of the year, caseload has increased and now stands at around 6,050 cases (caseload at the end of March 2019 was 5,721). Cases are slowly beginning to level off. In addition, since the month 5 forecast was prepared the Welsh Government funding for quarter one has come through, which amounted to £76,000 for Monmouthshire. Welsh Government have recently announced that a second tranche of funding for CTRS will be released shortly. Again, we await confirmation of MCC's share of this funding.</p>					
<b>COUNCIL TAX</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	0	<b>(305)</b>	<b>(385)</b>		
<p>This year's collection rate is still down by 2.2% compared to the same time last year. Recovery action has started and we now have a court date scheduled for January 2021 for formal recovery action to start again. On the plus side the council tax base continues to look healthy, with an additional 330 properties added to the base since it was prepared last October. As a result, forecast to collect an additional £385,000 income this year.</p>					

## 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 5 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 closed this has been transferred centrally. £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.

<b>Draft Council Fund Outturn 2020/21 – School Balances Summary outturn position at Month 7</b>	<b>(A) Opening Reserves (Surplus) / Deficit Position 2020/21 £000's</b>	<b>(B) Forecast Movement from / (to) School Balances @ Month 5 £'000</b>	<b>(C) Forecast Movement from / (to) School Balances @ Month 7 £'000</b>	<b>(A+C) Forecast Reserve Balances at 2020/21 Outturn £'000</b>
<b>Cluster</b>				
Abergavenny	<b>(118)</b>	<b>(316)</b>	<b>(299)</b>	<b>(417)</b>

Caldicot	160	81	18	<b>178</b>
Chepstow	24	235	205	<b>229</b>
Monmouth	518	(98)	(129)	<b>389</b>
Special	(149)	180	193	<b>44</b>
<b>Total</b>	<b>435</b>	<b>82</b>	<b>(13)</b>	<b>422</b>
<b>Total Excl Mounon House</b>	<b>607</b>	<b>(91)</b>	<b>(185)</b>	<b>422</b>

2.3. Collective School Balances at the beginning of the financial year amounted to a £435,000 deficit. The Schools month 2 forecast 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 forecast deficit to £517,000. At month 7, the forecast deficit balance has improved by a further £95,000 taking the forecast deficit to £422,000. It should be noted that King Henry VIII Comprehensive School have requested a Local Authority loan of £250,000 which has been approved by the Governing Body.

2.4. The movement of individual schools forecasting to be in deficit during the financial year is shown below:

Start of year	Month 2	Month 5	Month 7
<b>Total: 17</b>	<b>Total: 14</b>	<b>Total: 12</b>	<b>Total: 13</b>
Caldicot Comprehensive	Caldicot Comprehensive	Caldicot Comprehensive	Caldicot 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
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
Overmonnow Primary			Overmonnow Primary
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
	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
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

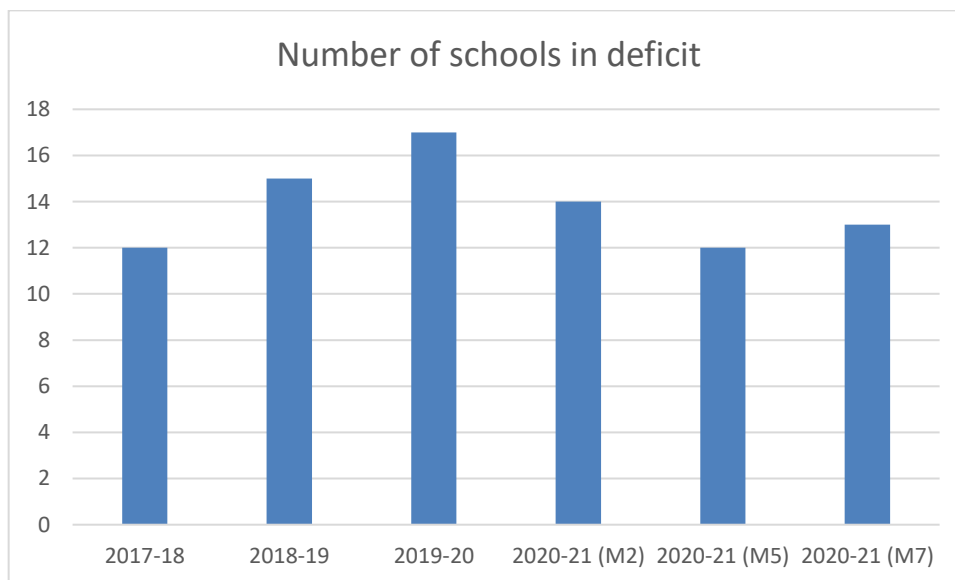
\*\* King Henry VIII Comprehensive School forecast balance at month 5 onwards includes a Local Authority loan of £250,000 which is estimated to result in a surplus year end balance.

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)	422

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.



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

### 3 CAPITAL OUTTURN

3.1 The summary forecast Capital position at Month 7 is as follows:

#### Forecast Capital Outturn Position 2020/21 at Month 7

Select Portfolio	Slippage B/F	Original Budget	Budget movements	Forecast Slippage	Revised Budget 2020/21	Forecast at M7	Variance M7	Variance at M5
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>								
Children & Young People	1,245	14,423	655	(12,483)	3,840	3,840	0	0
Economic & Development	17,496	3,068	30	(18,012)	2,582	2,582	0	0
Adult	300	5,678	0	(5,978)	0	0	0	0
Strong Communities	5,801	10,139	3,817	(897)	18,860	18,860	0	0
<b>Total Expenditure</b>	<b>24,842</b>	<b>33,308</b>	<b>4,502</b>	<b>(37,370)</b>	<b>25,282</b>	<b>25,282</b>	<b>0</b>	<b>0</b>
<b>Financing</b>								
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	(393)	(18,229)	(3,797)	15,628	(6,791)	(6,791)	0	0
S106 Contributions	(1,052)	0	0	78	(974)	(974)	0	0
Unsupported Borrowing	(22,546)	(5,275)	0	20,464	(7,357)	(7,357)	0	0
Reserve & Revenue Funding	(239)	(2)	0	0	(241)	(241)	0	0
Capital Receipts	(612)	(3,462)	(705)	1,200	(3,579)	(3,579)	0	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0	0
<b>Total Financing</b>	<b>(24,842)</b>	<b>(33,308)</b>	<b>(4,502)</b>	<b>37,370</b>	<b>(25,282)</b>	<b>(25,282)</b>	<b>0</b>	<b>0</b>

3.2 The capital expenditure forecast outturn at month 7 shows no variance due to a forecasted full spend against the revised budget net of forecast slippage.

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 7 totalling £37.4m (£25.2m at month 5). The impact is felt in 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:



<b>Scheme</b>	<b>Forecast Slippage M2 (000's)</b>	<b>Forecast Slippage M5 (000's)</b>	<b>Forecast Slippage M7 (000's)</b>
Asset Investment fund		18,142	18,142
Tranche 'B' King Henry Future Schools			12,484
Crick Road Care Home	5,978	5,978	5,978
County Hall 'J' block		544	544
IT upgrade and refurbishment for the Council Chamber		200	200
Section 106 schemes		131	78
Property schemes		229	74

### 3.5 Useable Capital Receipts Available

3.6 In the table below, the effect of the changes to the forecast capital receipts at Month 7 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.

	<b>2020/21 £000</b>	<b>2021/22 £000</b>	<b>2022/23 £000</b>	<b>2023/24 £000</b>	<b>2024/25 £000</b>
Balance as at 1st April	3,207	5,120	8,253	8,698	7,944
Capital receipts used for financing	(1,488)	(2,059)	(859)	(859)	(859)
Capital receipts used to support capitalisation direction	(2,091)	0	0	0	0
Capital receipts Received or Forecast	5,492	5,192	1,304	104	104
<b>Forecast Balance as at 31st March</b>	<b>5,120</b>	<b>8,253</b>	<b>8,698</b>	<b>7,944</b>	<b>7,189</b>
Forecast Balance 2020/24 MTFP	9,904	10,245	10,791	10,136	10,136
<b>Variance compared to 2020/24 MTFP</b>	<b>(4,784)</b>	<b>(1,992)</b>	<b>(2,093)</b>	<b>(2,192)</b>	<b>(2,947)</b>

3.7 Forecasted capital receipts of £4.1m are delayed from 2020/21 to 2021/22 in regard to sales of land at Rockfield Farm, Undy, Chepstow Road, Raglan 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 each 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 if this trend of utilisation is maintained, this will be reflected in a greatly reduced balance being carried forward in subsequent years to fund future capital schemes.

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Social Care, Health & Safeguarding	Non Covid-19 Pressures	COVID- 19 Specific			Total
		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)	
DIVISION	Net Service Pressures not related to Covid-19 (£000)				
Adult Services	181	0	0	0	181
Children Services	1,460	0	0	0	1,460
Community Care	(4)	0	0	0	(4)
Commissioning	(104)	0	0	0	(104)
Partnerships	0	0	0	0	0
Public Protection	0	0	177	0	177
Resources & Performance	(4)	0	0	0	(4)
	1,529	0	177	0	1,706

Social Care, Health & Safeguarding	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22	
		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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%)/ Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000
Adult Services												
Not achieving income target and the 2% staff efficiency saving, coupled with the increased staff pay award	588					Pay award additional cost is £346K and cost centres that cannot meet the 2% staff efficiency saving as front line services totals £242K		588			588	
Capitalisation	(114)											
Reduced capacity to offer services (C19)	(293)											
<b>Total Adult Services</b>	<b>181</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>588</b>	<b>0</b>	<b>0</b>	<b>588</b>	
Children Services												
Placement costs for LAC and non LAC population	872					2020/21 M7 forecast					872	
Legal costs	238					2020/21 M7 forecast					238	
Agency staffing	350					2020/21 M7 forecast		350			350	
<b>Total Children's Services</b>	<b>1,460</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>350</b>	<b>0</b>	<b>0</b>	<b>1,460</b>	
Community Care												
Increase in care packages	260											
TWUD SCWS Grant	(440)											
DOLS Capitalised	(100)											
Other	26											

Increase in care packages (Radis Usk)	250				Reintegration of Radis USK contract						250	
<b>Total Community Care</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	
<b>Commissioning</b>												
Vacancy	(72)											
Service level contracts not being able to be run	(32)											
<b>Total Commissioning</b>	<b>(104)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Partnerships</b>												
<b>Total Partnerships</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Public Protection</b>												
Lost income for Registrars mainly due to cancelled/reduced weddings and ceremonies			177									
<b>Total Public Protection</b>	<b>0</b>	<b>0</b>	<b>177</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Resources &amp; Performance</b>												
Other	(4)										0	
<b>Total Resources &amp; Performance</b>	<b>(4)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Social Care, Health &amp; Safeguarding</b>	<b>1,529</b>	<b>0</b>	<b>177</b>	<b>0</b>				<b>938</b>	<b>0</b>	<b>0</b>	<b>2,298</b>	

Children & Young People	Non Covid-19 Pressures	COVID- 19 Specific			Total
		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)	
DIVISION	Net Service Pressures not related to Covid-19 (£000)				
Individual Schools Budgets	(316)	0	0	0	(316)
Resources	10	0	0	5	15
Standards	406	(50)	70	0	426
	100	(50)	70	5	125

Children & Young People	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22		
		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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%)/ Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low	Notes
Individual Schools Budgets													
Post 16 funding	(56)												
Mounon House transfer	(260)												
<b>Total Individual Schools Budgets</b>	<b>(316)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Resources</b>													
Finance	9	0	0	5	Salary costs relating to a mutual supply compensation scheme	0	No risk going forward	5				Low	
ICT	14				Total costs for the year to ensure all the essential upgrades are completed.			14				Low	
Other	(13)												
<b>Total Resources</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>5</b>				<b>19</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Standards</b>													
Loss of income for breakfast club for the summer term	18		70		This is the loss of income from breakfast clubs for the summer term and the initial two weeks at the start of September. The loss of income is £90,000 with a cost saving of £20,000. It is anticipated that this can be reclaimed from Welsh Government	£4,000 per week	50% - currently lower numbers attending breakfast club	156	104	70	0	Low	The risk for 21-22 is that no breakfast clubs operate during the 20-21 academic year

Early Years	(100)	(50)			Savings due to rising 3's not being admitted into schools in the summer term due to covid								
ALN	478										431		
Other	10												
<b>Total Standards</b>	<b>406</b>	<b>(50)</b>	<b>70</b>	<b>0</b>				<b>156</b>	<b>104</b>	<b>70</b>	<b>431</b>		
<b>CYP</b>	<b>100</b>	<b>(50)</b>	<b>70</b>	<b>5</b>				<b>175</b>	<b>104</b>	<b>70</b>	<b>431</b>		

ENTERPRISE	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
Business Growth & Enterprise	(50)	0	0	0	(50)
Facilities & Fleet	409	145	668	0	1,222
Neighbourhood Services	279	292	212	0	783
Planning & Housing	(402)	0	869	527	994
MonLife	(185)	0	1,853	0	1,668
	51	437	3,602	527	4,617

ENTERPRISE	Non Covid-19 Pressures	COVID-19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22		
	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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%) / Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low	Notes
<b>Business Growth &amp; Enterprise</b>													
Community & Pship Dev - staff costs covered by grant funding	(21)												
Communications - improved income	(4)												
Strategic Projects - staff saving - transferring staff collaboration costs to capital.	(42)												
Enterprise Mgt - Pay award budget shortfall	17												
<b>Total Business Growth &amp; Enterprise</b>	<b>(50)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
<b>Facilities &amp; Fleet</b>													
Schools Catering - Loss of income/FSM increase	0	0	409	0							314	Med	Loss of income due to increase in FSM entitlement (£114k), Loss of general meal uptake (£200k)
Building Cleaning - Covid cleaning grant, assumes school cleaning funded by grant.	(22)	0	0	0									
PTU - Staffing Pressure	401	0	0	0							401	Med	Recurring pressure.
PTU - New Software Package - Moved to Capitalisation.	0	0	0	0									
PTU - Loss of Private Hire Income due to Covid			243								243	Med	Impacted by Covid, guidelines might impact ability to generate external income next year.
PTU - Service 65 income loss due to Covid			16										
PTU - Grass Routes	0		0										
PTU Commissioning - Contract savings offset by increased covid costs.	(108)	79											
Transport - Green car scheme loss, increased repair costs for additional vehicles taken on for covid.	138	66											
<b>Total Facilities &amp; Fleet</b>	<b>409</b>	<b>145</b>	<b>668</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>958</b>		
<b>Neighbourhood Services</b>													
Highways & Streetlighting - Streetlighting energy saving.	(71)												







Chief Executive	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
Legal & Land Charges	(11)	0	50	0	39
Governance, Democracy & Support	(7)	0	0	29	22
	(18)	0	50	29	61

Chief Executive	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22		
	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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000)	Risk Factor (%) / Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med/Low	Notes
Legal & Land Charges													
Reduction in Land Charges Income due to impact of Covid on Housing market.	0	0	50								50	Med	Dependant on how housing market reacts to impact of Covid.
Legal - Staff savings as not filling employment lawyer post.	(11)												
<b>Total Legal &amp; Land Charges</b>	<b>(11)</b>	<b>0</b>	<b>50</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>		
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.		0	0	29							29	Med	Current climate means restructure cannot be implemented so staff savings are not forthcoming.
Corporate - unbudgeted licensing cost, supplies & Serv	11												
Democratic Services - underspend in Supplies & Services.	(48)												
Policy & Pships - Welsh Translation Costs	19												
Community Hubs - Usk PO, increased book purchase.	10												
<b>Total Governance, Democracy &amp; Support</b>	<b>(7)</b>	<b>0</b>	<b>0</b>	<b>29</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>29</b>		
<b>TOTAL CEO's</b>	<b>(18)</b>	<b>0</b>	<b>50</b>	<b>29</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>79</b>		

RESOURCES	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)	Costs incurred due to changes in service delivery (£000)	
Commercial, Corporate & landlord Services	(38)	0	475	0	437
Finance	(148)	320	0	0	172
Future Monmouthshire	82	0	0	0	82
Information Communication Technology	(431)	0	0	0	(431)
People	(105)	0	37	0	(68)
	(640)	320	512	0	192

RESOURCES	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22		
	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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%) / Future Impact Pressures on Service where no value offered / Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low	Notes
<b>Commercial, Corporate &amp; landlord Services</b>													
Estates - Income Pressure - Rental loss from Magor, development company not yet set up (budget assumed income stream).	55	0	79	0							179	High	Depending on Covid situation we might not be able to rent out the spare office accommodation at Magor, ongoing issue of development company.
Sustainability & Solar Farm	(97)		0										
Commercial Investments	(73)		266										
Investment Income Pressure	200	0	0	0							200	High	There is a high possibility that we will not enter into any additional investment purchases in 21-22.
MCC Markets - Income Loss	30		130										
Industrial Units	13												
Cemeteries	38										38	High	Cemetery income has been down for a number of years and analysis indicates that it will remain below budget going forward.
County Farms	8												
Property & Office Services	(112)												
Property Accommodation	(100)												
<b>Total Commercial, Corporate &amp; landlord Services</b>	<b>(38)</b>	<b>0</b>	<b>475</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>417</b>		
<b>Finance</b>													
Benefits - B&B HB claims increasing due to Covid, not all can be claimed against Housing benefit subsidy so pressure on budget.	109	320	0	0							429	Med	Housing benefit may struggle next year if local economy struggles with impact of covid. The shortfall caused from housing the Homeless will continue unless additional funding is forthcoming.
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.	121	0	0	0							50	Med	Summon income may still be impacted by Covid closures.
Audit - capitalisation of salary	(36)												
Debtors - Vacant post	(18)												
Finance & Imp - Senior staff vacancy saving	(262)												
Systems & Exchequer - Security carrier savings, system dev postponement savings.	(62)												

<b>Total Finance</b>	(148)	320	0	0			0	0	0	479	
<b>Future Monmouthshire</b>											
Future Monmouthshire - Unachievable 20-21 Savings relating to Authority Wide Agency (£80k) and Fuel reductions (£34k). Offset by staff secondment savings (£30k)	82	0	0	0						82	High Recurring pressure - crosscutting savings yet to be finalised.
<b>Total Future Monmouthshire</b>	<b>82</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>82</b>	
<b>ICT</b>											
ICT - SRS savings & reserve	(122)										
DPO - Capitalisation of salaries	(309)										
<b>Total ICT</b>	<b>(431)</b>	<b>0</b>	<b>0</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>		
<b>People</b>											
Corporate Training - Reduced Income	0	0	37	0						37	Med Recurring income pressure, turnover has also been hit further by Covid lockdown so can't see it recovering next year.
Customer Relations - Reduction in Professional fees	(14)										
Innovation - Staff costs to Capitalisation Directive	(62)										
People Services - Staff Savings in HR	(29)										
<b>Total People</b>	<b>(105)</b>	<b>0</b>	<b>37</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>37</b>	
<b>TOTAL RESOURCES</b>	<b>(640)</b>	<b>320</b>	<b>512</b>	<b>0</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>1,015</b>	

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	23	0	0	0	23
Corporate Management	(191)	0	0	0	(191)
Non Distributed Costs (NDC)					
Strategic Initiatives	215	0	0	0	215
Insurance	(61)	0	0	0	(61)
	56	0	0	0	56
	44	0	0	0	44

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22	
	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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%) / Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low
Precepts & Levies												
National parks levy	2											
<b>Total</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Coroner's												
Coroner Fee	23											
<b>Total</b>	<b>23</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Corporate Management												
Capita Gwent	(109)											
Rate rebates	(101)											
Other	19											
<b>Total</b>	<b>(191)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Non Distributed Costs (NDC)												
Strain costs	215											
<b>Total</b>	<b>215</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Strategic Initiatives												
Other	(61)											
<b>Total</b>	<b>(61)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Insurance												
Premium	56										131	High
<b>Total</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>131</b>	
<b>Total</b>	<b>44</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>131</b>	

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)	Costs incurred due to changes in service delivery (£000)	
Fixed Asset Disposal Costs	6	0	0	0	6
Interest & Investment Income	162	0	0	0	162
Interest Payable & Similar Charges	(230)	0	0	0	(230)
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)
	(163)	0	0	0	(163)

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22	
	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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%)/ Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low
Fixed Asset Disposal Costs												
Other	6											
<b>Total</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Interest & Investment Income												
Interest Receivable	162											
<b>Total</b>	<b>162</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Interest Payable & Similar Charges												
Interest payable	(230)											
<b>Total</b>	<b>(230)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Charges Required under Regulation												
MRP	(82)											
<b>Total</b>	<b>(82)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Other Investment Income												
Other	(14)											
<b>Total</b>	<b>(14)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Borrowing Cost Recoupment												
Other	(5)											
<b>Total</b>	<b>(5)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total</b>	<b>(163)</b>	<b>0</b>	<b>0</b>	<b>0</b>				<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

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	(385)	0	0	0	(385)
Council Tax Reduction Scheme	0	229	0	0	229
	(385)	229	0	0	(156)

	Non Covid-19 Pressures	COVID- 19 Specific PRESSURES			HEADLINE PRESSURE ANALYSIS			20-21 Sensitivity			MTFP Risk 21-22		
		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)	Core assumptions used to calculate forecast pressure*	Factors that are attributable / can alter forecast pressure figure / Sensitivity Value (£0,000) ~	Risk Factor (%)/ Future Impact Pressures on Service where no value offered /Other factors	Worst £000	Medium £000	Best £000	Pressure £000	Risk High/Med /Low
Council Tax													
CT Income	(385)												
<b>Total</b>	(385)	0	0	0				0	0	0	0		
Council Tax Reduction Scheme													
CTRS		229											
<b>Total</b>	0	229	0	0				0	0	0	0		
<b>Total</b>	(385)	229	0	0				0	0	0	0		

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## Overall Revenue Position

Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 7

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Social Care, Health & Safeguarding	50,685	(170)	50,515	52,222	1,707	1,448	259
Children & Young People	55,539	514	56,053	56,178	125	19	106
Enterprise	24,132	(1,511)	22,621	27,238	4,617	5,113	(496)
Chief Executives Unit	4,745	4	4,749	4,811	62	144	(82)
Resources	7,746	30	7,776	7,969	193	694	(501)
Corporate Costs & Levies	22,743	229	22,972	23,014	42	66	(24)
<b>Net Cost of Services</b>	<b>165,590</b>	<b>(904)</b>	<b>164,686</b>	<b>171,432</b>	<b>6,746</b>	<b>7,484</b>	<b>(738)</b>
Appropriations	4,857	1,163	6,020	5,857	(163)	(83)	(80)
Expenditure to be Financed	170,447	259	170,706	177,289	6,583	7,401	(818)
Financing	(170,447)	(259)	(170,706)	(170,863)	(157)	20	(177)
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,426</b>	<b>6,426</b>	<b>7,421</b>	<b>(995)</b>

Table 2: Council Fund 2020/21 ADULT Select Outturn Forecast Detailed Statement at Month 7

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	7,877	(55)	7,822	8,002	180	156	24
Community Care	24,434	30	24,464	24,460	(4)	(209)	205
Commissioning	1,483	(65)	1,418	1,315	(103)	(63)	(40)
Partnerships	436	0	436	436	0	0	(0)
Resources & Performance	546	(3)	543	539	(4)	(5)	1
<b>Social Care, Health &amp; Safeguarding</b>	<b>34,776</b>	<b>(93)</b>	<b>34,683</b>	<b>34,752</b>	<b>69</b>	<b>(121)</b>	<b>190</b>
<b>Planning &amp; Housing</b>	<b>1,951</b>	<b>(133)</b>	<b>1,818</b>	<b>2,811</b>	<b>993</b>	<b>1,067</b>	<b>(74)</b>
<b>Enterprise</b>	<b>1,951</b>	<b>(133)</b>	<b>1,818</b>	<b>2,811</b>	<b>993</b>	<b>1,067</b>	<b>(74)</b>
<b>ADULT Select (Surplus) / Deficit</b>	<b>36,727</b>	<b>(226)</b>	<b>36,501</b>	<b>37,563</b>	<b>1,062</b>	<b>946</b>	<b>116</b>

## DIRECTORATE – DIVISION VARIANCE COMMENTS

<b>SOCIAL CARE, HEALTH &amp; SAFEGUARDING</b>	Month 2	Month 5	Month 7	Month 9	Outturn
<b>Deficit / (Surplus) £'000s</b>	1,630	1,448	1,707		

### **SOCIAL CARE, HEALTH & SAFEGUARDING DIRECTOR'S COMMENTARY:**

The month 7 directorate forecast outturn for 2020/21 shows an overspend of £1.707m, a marginal increase since M5 of £259k, after accounting for the Social Care Workforce and Sustainability Grant from Welsh Government of £984k. At M7, our Children Looked After numbers stand at 222 (remaining at the same overall number since month 5) and significant income has been lost in Registrars resulting from the COVID-19 pandemic and cancelled appointments. The Welsh Government has yet to commit to their level of funding to cover the loss of pre booking wedding ceremonies. Of the overall over spend; £346k is because of the pressure from the additional 1.75% unfunded staff pay award and £242k from the 2% staff efficiency saving being deemed unachievable.

The **Adult Services** division is forecasting an overspend of £69k mainly due to the increase in care packages in Monmouth and spend in our own care at home service, partially offset by reduced activity resulting from COVID-19 with the closure of day centres and our in house respite facilities. This area of the directorate has benefitted in year from the Social Care Workforce and Sustainability Grant (SCWS)

and Intermediate Care Funding (ICF), with the ICF having a planned termination date of 31<sup>st</sup> March 2022. The SCWS grant of circa £1m is expected to continue into 2021/22, however as it sits outside of core Welsh Government funding it is important to highlight as a budgetary risk moving forward given that the amount could vary, additional grant terms could be applied or it may cease.

**Children's Services** has a predicted overspend of £1.460m, which remains unchanged since the reported M5 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 222 and legal costs still remain at a predicted over spend of £238k.

**Public Protection** continues to strive to remain within its budget allocation, but the COVID 19 pandemic has hit this small service hard and is estimating an overspend of £178K. This is due to the indication that income loss in Registrars may not be fully funded by Welsh Government resulting from cancelled marriages and people not pre booking ceremonies because of COVID-19. Welsh Government have indicated that they will review the overall position towards the end of the financial year and assess if they consider Local Authorities losses to only be delayed or indeed lost.

### ADULT SERVICES

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	24	156	180		

Due to the additional pay award, not achieving the 2% staff efficiency saving and additional spend in the care at home service.

### COMMUNITY CARE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	(63)	(209)	(4)		

Mainly on budget but this is being held up by a circa £1m SCWS grant which ends this financial year.

### COMMISSIONING

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'s	(118)	(63)	(103)		

Ongoing vacant Commissioning Officer post and realignment of Service Level Agreements and Contracts, but reduced by increased staff pay award.

### RESOURCES & PERFORMANCE

Outturn Forecast	Month 2	Month 5	Month 7	Month 9	Outturn
Deficit / <b>(Surplus)</b> £'000s	1	(5)	(4)		

As a result of previous vacant posts within the Finance team, diluted slightly by the increased staff pay award.

<b>ENTERPRISE</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	5,950	5,113	<b>4,617</b>		

<b>Planning &amp; Housing</b>					
<b>Outturn Forecast</b>	<b>Month 2</b>	<b>Month 5</b>	<b>Month 7</b>	<b>Month 9</b>	<b>Outturn</b>
<b>Deficit / (Surplus) £'000s</b>	1,011	1,067	<b>993</b>		

Planning & Housing is forecasting to overspend by £993k.

- **Housing** is forecasting a £567k 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 £223k.
    - We are estimating Emergency hostel increases of £260k due to additional security measures.
    - Increased private rental costs of £44k, 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-19 Hardship fund.

## 2 CAPITAL OUTTURN

2.1 The summary forecast Capital position at Month 7 is as follows:

### Forecast Capital Outturn Position 2020/21 at Month 7

Select Portfolio	Slippage B/F	Original Budget	Budget movements	Forecast Slippage	Revised Budget 2020/21	Forecast at M7	Variance M7	Variance at M5
	£000's	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>								
Children & Young People	1,245	14,423	655	(12,483)	3,840	3,840	0	0
Economic & Development	17,496	3,068	30	(18,012)	2,582	2,582	0	0
Adult	300	5,678	0	(5,978)	0	0	0	0
Strong Communities	5,801	10,139	3,817	(897)	18,860	18,860	0	0
<b>Total Expenditure</b>	<b>24,842</b>	<b>33,308</b>	<b>4,502</b>	<b>(37,370)</b>	<b>25,282</b>	<b>25,282</b>	<b>0</b>	<b>0</b>
<b>Financing</b>								
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	(393)	(18,229)	(3,797)	15,628	(6,791)	(6,791)	0	0
S106 Contributions	(1,052)	0	0	78	(974)	(974)	0	0
Unsupported Borrowing	(22,546)	(5,275)	0	20,464	(7,357)	(7,357)	0	0
Reserve & Revenue Funding	(239)	(2)	0	0	(241)	(241)	0	0
Capital Receipts	(612)	(3,462)	(705)	1,200	(3,579)	(3,579)	0	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0	0
<b>Total Financing</b>	<b>(24,842)</b>	<b>(33,308)</b>	<b>(4,502)</b>	<b>37,370</b>	<b>(25,282)</b>	<b>(25,282)</b>	<b>0</b>	<b>0</b>

2.2 The capital expenditure forecast outturn at month 7 shows no variance due to a forecasted full spend against the revised budget net of forecast slippage.

2.3 The outbreak of the COVID-19 pandemic has caused significant disruption to the progress of budgeted capital schemes with forecast slippage at month 7 totalling £37.4m (£25.2m at month 5). The impact is felt in 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.

2.4 The forecast slippage is broken down as follows:

Scheme	Forecast Slippage M2 (000's)	Forecast Slippage M5 (000's)	Forecast Slippage M7 (000's)
Asset Investment fund		18,142	18,142
Tranche 'B' King Henry Future Schools			12,484
Crick Road Care Home	5,978	5,978	5,978
County Hall 'J' block		544	544
IT upgrade and refurbishment for the Council Chamber		200	200
Section 106 schemes		131	78
Property schemes		229	74

## 2.5 Useable Capital Receipts Available

2.6 In the table below, the effect of the changes to the forecast capital receipts at Month 7 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	5,120	8,253	8,698	7,944
Capital receipts used for financing	(1,488)	(2,059)	(859)	(859)	(859)
Capital receipts used to support capitalisation direction	(2,091)	0	0	0	0
Capital receipts Received or Forecast	5,492	5,192	1,304	104	104
<b>Forecast Balance as at 31st March</b>	<b>5,120</b>	<b>8,253</b>	<b>8,698</b>	<b>7,944</b>	<b>7,189</b>
Forecast Balance 2020/24 MTFP	9,904	10,245	10,791	10,136	10,136
<b>Variance compared to 2020/24 MTFP</b>	<b>(4,784)</b>	<b>(1,992)</b>	<b>(2,093)</b>	<b>(2,192)</b>	<b>(2,947)</b>

2.7 Forecasted capital receipts of £4.1m are delayed from 2020/21 to 2021/22 in regard to sales of land at Rockfield Farm, Undy, Chepstow Road, Raglan and Penarth Farm due to the delay in receiving offers because of the Covid-19 pandemic and site constraints concerning Penarth Farm.

2.8 Forecasted balances held at the end of each 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 if this trend of utilisation is maintained, this will be reflected in a greatly reduced balance being carried forward in subsequent years to fund future capital schemes.

**SUBJECT: REVENUE & CAPITAL MONITORING 2020/21  
FORECAST OUTTURN STATEMENT – MONTH 7**

**MEETING: Adults Select Committee**

**DATE: 26<sup>th</sup> January 2021**

**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

- 1.1 The purpose of this report is to provide Select Members with information on the revenue and capital outturn position of the Authority, accommodating capital slippage and approved reserve usage.
- 1.2 The financial information appropriate to this Select Committee is outlined in **Appendix 3**, with the remainder of this report following the format presented to Cabinet on the 6<sup>th</sup> January 2021.
- 1.3 This report is also to be considered by Select Committees as part of their responsibility to:
- assess whether effective budget monitoring is taking place;
  - monitor the extent to which budgets are spent in accordance with agreed budget and policy framework;
  - challenge the reasonableness of projected over or underspends, and;
  - monitor the achievement of predicted efficiency gains or progress in relation to savings proposals.
- 1.4 To provide an update on the financial impact of COVID-19 on the Council.

**2. RECOMMENDATIONS TO CABINET:**

- 2.1 That Cabinet acknowledges a net revenue forecast deficit at month 7 of £6.43m, an improvement of £995k from month 5 and which comprises:
- a) A forecast non-COVID-19 related deficit of £518k to be managed in year and that represents a reduction of £713k since month 5, of which £675k is as a direct result of the decision to capitalise eligible expenditure and fund from capital receipts under the flexible use of capital receipts directive.
- b) A forecast deficit of £5.91m that is directly associated with the extraordinary financial pressures attached to COVID-19 and where it is assumed that Welsh Government will continue to fund all associated and eligible income losses and cost pressures. This is a marginal improvement of £282k from the position forecast at month 5.

- 2.2 That Cabinet recognises that since the budget forecasts have been produced for month 7 that Welsh Government has notified the Authority that a further sum of £1.78m will be made available to the Authority to cover income losses for quarter 2 of the financial year, and that will in turn reduce the £5.91m COVID related forecast deficit to £4.13m.
- 2.3 That Cabinet continue to make strong representations to Welsh Government to confirm full reimbursement of the £4.13m COVID related income losses and cost pressures as soon as possible and to eliminate financial risk going into the financial year-end.
- 2.4 That Cabinet notes that the £518k non-COVID related deficit will be managed through cost reduction and in taking immediate steps to curtail non-essential expenditure, recognising the risk that targeted and planned cost reductions will be challenging in the current operating environment and given that the Council will as always look to minimise impact on service delivery.
- 2.5 In taking the approach set out above, Cabinet recognises the extraordinary nature of the current year and accepts that significant services pressures will need to be incorporated into the ongoing budget setting process for financial year 2021/22 unless otherwise mitigated.
- 2.6 Cabinet notes the extent of forecast movements in Schools reserve usage contained in **appendix 1**.
- 2.7 Cabinet considers the forecast capital outturn spend of £25.3m alongside significant slippage of £37.4m, and the presumptions made around the financing consequences, as outlined in **appendix 1**.
- 2.8 Cabinet recognises that the forecast will have to be reconsidered in the event that Welsh Government falls short of expectation in fully compensating the Council for COVID related costs and income losses.

### 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 23<sup>rd</sup> March 2020.
- 3.2 Each of these draws significantly on the Council's resources, both in terms capacity and finances and continues to place an unprecedented strain on the Council. This is exhibited below in **Table 1** and **Table 2** demonstrating an overspend forecast at year end of £6.43m.
- 3.3 This forecast comprises forecast COVID-19 income losses of £4.41m and additional costs of £1.49m alongside non-COVID-19 pressures of £518k. Non-COVID-19 pressures have in part resulted from the implementation of budget savings proposals for 20/21 being delayed.



- 3.4 It is important to note that forecast overspend of £6.43m presents a worst case scenario in that it 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.
- 3.5 Since the budget forecasts have been produced for month 7 Welsh Government has notified the Authority that a further sum of £1.78m will be made available to the Authority to cover income losses for quarter 2 of the financial year, and that will in turn reduce the £5.9m forecast deficit to £4.13m.
- 3.6 The Council is calling for Welsh Government to reimburse all further COVID-19 related costs and income losses. As the financial year has progressed the Council is more optimistic than was the case at the first monitoring period at month 2 and since Welsh Government announced significant further funding for local authorities in August to supplement funding that had already been provided to assist with meeting income losses and additional costs brought about by the pandemic.
- 3.7 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.
- 3.8 The immediate focus for the Council whilst it awaits confirmation of full compensating funding from Welsh Government is to manage the non-COVID-19 pressures of £518k. Following the Cabinet decision at month 5, the month 7 forecast now includes the capitalisation of an additional £675k of identified eligible expenditure to be funded from capital receipts under the flexible use of capital receipts directive.
- 3.9 The remaining forecast deficit of £518k is required to be managed through cost reduction and in taking immediate steps to curtail non-essential expenditure, recognising the risk that targeted and planned cost reductions will be challenging in the current operating environment and given that the Council will as always look to minimise impact on service delivery.

### 3.10 Overall Revenue Position

**Table 1: Council Fund 2020/21 Outturn Forecast Summary Statement at Month 7**

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
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Social Care, Health & Safeguarding	50,685	(170)	50,515	52,222	1,707	1,448	259
Children & Young People	55,539	514	56,053	56,178	125	19	106

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
<b>Enterprise</b>	24,132	(1,511)	22,621	27,238	4,617	5,113	(496)
<b>Chief Executives Unit</b>	4,745	4	4,749	4,811	62	144	(82)
<b>Resources</b>	7,746	30	7,776	7,969	193	694	(501)
<b>Corporate Costs &amp; Levies</b>	22,743	229	22,972	23,014	42	66	(24)
<b>Net Cost of Services</b>	<b>165,590</b>	<b>(904)</b>	<b>164,686</b>	<b>171,432</b>	<b>6,746</b>	<b>7,484</b>	<b>(738)</b>
<b>Appropriations</b>	4,857	1,163	6,020	5,857	(163)	(83)	(80)
<b>Expenditure to be Financed</b>	<b>170,447</b>	<b>259</b>	<b>170,706</b>	<b>177,289</b>	<b>6,583</b>	<b>7,401</b>	<b>(818)</b>
<b>Financing</b>	(170,447)	(259)	(170,706)	(170,863)	(157)	20	(177)
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,426</b>	<b>6,426</b>	<b>7,421</b>	<b>(995)</b>

**Table 2: Council Fund 2020/21 Outturn Forecast Detailed Statement at Month 7**

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
<b>Adult Services</b>	7,877	(55)	7,822	8,002	180	156	24
<b>Children Services</b>	14,428	(63)	14,365	15,825	1,460	1,459	1
<b>Community Care</b>	24,434	30	24,464	24,460	(4)	(209)	205
<b>Commissioning</b>	1,483	(65)	1,418	1,315	(103)	(63)	(40)
<b>Partnerships</b>	436	0	436	436	0	0	(0)
<b>Public Protection</b>	1,481	(14)	1,467	1,645	178	109	69
<b>Resources &amp; Performance</b>	546	(3)	543	539	(4)	(5)	1
<b>Social Care, Health &amp; Safeguarding</b>	<b>50,685</b>	<b>(170)</b>	<b>50,515</b>	<b>52,222</b>	<b>1,707</b>	<b>1,448</b>	<b>259</b>
<b>Individual Schools Budget</b>	47,420	(356)	47,064	46,748	(316)	(264)	(52)
<b>Resources</b>	1,234	(9)	1,225	1,239	14	22	(8)
<b>Standards</b>	6,885	879	7,764	8,191	427	261	166
<b>Children &amp; Young People</b>	<b>55,539</b>	<b>514</b>	<b>56,053</b>	<b>56,178</b>	<b>125</b>	<b>19</b>	<b>106</b>

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
Business Growth and Enterprise	2,468	(168)	2,300	2,250	(50)	29	(79)
Facilities & Fleet Management	5,665	(1,266)	4,399	5,621	1,222	1,097	125
Neighbourhood Services	10,483	(26)	10,457	11,240	783	1,153	(370)
Planning, Housing, Highways Development & Flooding	1,951	(133)	1,818	2,811	993	1,067	(74)
Countryside & Culture (MonLife)	1,348	(8)	1,340	1,422	82	40	42
Finance & Business Development (MonLife)	1,507	116	1,623	1,516	(107)	(150)	43
Leisure, Youth & Outdoor Adventure (MonLife)	710	(26)	684	2,378	1,694	1,877	(183)
<b>Enterprise</b>	<b>24,132</b>	<b>(1,511)</b>	<b>22,621</b>	<b>27,238</b>	<b>4,617</b>	<b>5,113</b>	<b>(496)</b>
Legal & Land Charges	839	(6)	833	873	40	92	(52)
Governance, Democracy & Support	3,906	10	3,916	3,938	22	52	(30)
<b>Chief Executives Unit</b>	<b>4,745</b>	<b>4</b>	<b>4,749</b>	<b>4,811</b>	<b>62</b>	<b>144</b>	<b>(82)</b>
Finance	2,597	(63)	2,534	2,707	173	189	(16)
Information, Communication Technology	2,803	135	2,938	2,507	(431)	(128)	(303)
People	1,725	50	1,775	1,707	(68)	6	(74)
Future Monmouthshire	(46)	(25)	(71)	11	82	112	(30)
Commercial & Corporate Landlord	667	(67)	600	1,037	437	515	(78)
<b>Resources</b>	<b>7,746</b>	<b>30</b>	<b>7,776</b>	<b>7,969</b>	<b>193</b>	<b>694</b>	<b>(501)</b>
Precepts & Levies	20,379	1	20,380	20,382	2	2	(0)
Coroner's	117	0	117	140	23	23	(0)
Archives	182	0	182	182	0	0	(0)
Corporate Management	293	0	293	101	(192)	(114)	(78)

Service Area	Original Budget 2020/21	Budget Adjustments Months 1-7	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ M7	Forecast (Under) / Over Spend @ M5	Variance from M5 to M7
Non Distributed Costs (NDC)	492	0	492	707	215	108	107
Strategic Initiatives	(167)	228	61	0	(61)	0	(61)
Insurance	1,447	0	1,447	1,502	55	46	9
Corporate Costs & Levies	22,743	229	22,972	23,014	42	66	(24)
Net Cost of Services	165,590	(904)	164,686	171,432	6,746	7,484	(738)
Fixed Asset Disposal Costs	20	45	65	71	6	25	(19)
Interest & Investment Income	(252)	0	(252)	(90)	162	181	(19)
Interest Payable & Similar Charges	4,020	27	4,047	3,817	(230)	(164)	(66)
Charges Required under Regulation	6,251	(108)	6,143	6,061	(82)	(113)	31
Other Investment Income	(1,153)	1,153	0	(14)	(14)	(12)	(2)
Borrowing Cost Recoupment	(3,425)	50	(3,375)	(3,380)	(5)	(0)	(5)
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	5,857	(163)	(83)	(80)
Expenditure to be Financed	170,447	259	170,706	177,289	6,583	7,401	(818)
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)	(259)	(79,831)	(80,216)	(385)	(305)	(80)
Council Tax Benefit Support	6,885	0	6,885	7,113	228	324	(96)
Financing	(170,447)	(259)	(170,706)	(170,863)	(157)	20	(177)
Net General Fund (Surplus) / Deficit	0	0	0	6,426	6,426	7,421	(995)

3.11 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.

3.12 Putting the Council's finances into context, pre COVID-19 pandemic, the Council had:

- Brought forward budget savings proposals for 2020/21 of £8.5m to manage budget pressures of £9.5m and alongside a disappointing Welsh Government settlement where the extent of pressures on services were not recognised;
- Benefitted from a significant one-off VAT receipt and flexible use of capital receipts to arrest a £3.76m net over spend against services in 2019/20; and
- Finalised its draft accounts for 19/20 with useable capital receipts of only £3.2m, a Council Fund balance of £8.5m and useable earmarked reserves of £6.4m (of which there is planned use that will reduce earmarked reserves to £5.5m at the end of 2020/21).

3.13 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.

3.14 This report provides a 'point in time' assessment and forecast for 2020/21. The revenue and capital annual forecast at month 7 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 will inform the budget setting process for 2021/22.

3.15 The table below provides a high level analysis of how the £6.43m reasonable worst case forecast outturn is broken down. This shows that whilst there are significant in-year pressures resulting from the COVID-19 pandemic there is also a set of significant in-year pressures that are unrelated or that result from a delay in budget savings proposals being implemented.

	Overall M7 Forecast	Variance to M5	M7 Due to Covid 19 Expenditure Increase	Variance to M5	M7 Due to Covid 19 Income Loss	Variance to M5	M7 Due to Non Covid 19	Variance to M5
<b>Social Care, Health &amp; Safeguarding</b>	1,706	259	0	0	177	9	1,529	250

Children & Young People	125	106	(50)	(53)	70	0	100	159
Enterprise	4,617	(499)	964	(70)	3,602	11	51	(440)
Chief Executives Unit	61	(84)	29	(2)	50	(13)	(18)	(69)
Resources	192	(499)	320	34	512	(103)	(640)	(430)
Corporate Costs & Levies	44	(23)	0	0	0	0	44	(23)
Appropriations	(163)	(80)	0	0	0	0	(163)	(80)
Financing	(156)	(175)	229	229	0	(324)	(385)	(80)
<b>Total</b>	<b>6,426</b>	<b>(995)</b>	<b>1,492</b>	<b>138</b>	<b>4,411</b>	<b>(420)</b>	<b>518</b>	<b>(713)</b>

3.16 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.

3.17 As the financial year has progressed significant forecast budget savings have been identified and added to the budget forecast to mitigate some of 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.

- 3.18 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 will need to be considered as part of the wider budget process for 2021/22 and beyond.
- 3.19 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 levels of commitment to support local authorities.
- 3.20 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.
- 3.21 However, we urge Welsh Government to confirm full reimbursement of the £4.13m COVID related income losses and cost pressures as soon as possible and to eliminate financial risk going into the financial year-end.
- 3.22 Beyond Welsh Government funding of in year pressures, assessment will also need to be undertaken of reserve balances and available capital receipts. 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.

- 4.5 Options will be considered when determining the appropriate response to addressing the budget shortfalls contained in the report as we move throughout the year.

## **5. EVALUATION CRITERIA**

- 5.1 This forecast outturn report represents an assessment of the forecast for the 2020/21 financial year based on seven 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 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 would 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 will again be challenging. Welsh Government has now confirmed that local authorities provisional funding settlement will be announced on the 22<sup>nd</sup> December 2020 with the final settlement being announced on 2<sup>nd</sup> March 2021. As a result of the late notification of funding draft budget proposals for 2021/22 will now not be released for consultation purposes until Cabinet has considered them at its meeting on the 20<sup>th</sup> January 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.

## **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 £6.43m. However, Welsh Government funding will mitigate part of this though it remains unclear as to how far that will extend though levels of confidence have increased.

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 £518k of non COVID-19 pressures to be 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 will be developed in parallel in the coming months and to 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 7  
*Appendix 2* – Pressure analysis – assumptions, sensitivities and risks  
*Appendix 3* – Select Committee summary

**11. AUTHOR:** Peter Davies, Chief Officer for Resources

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# 2021/22 DRAFT BUDGET PROPOSALS

## Budget Scrutiny

### Adults Select Committee

26<sup>th</sup> January 2021



- Welcome to today's session. I'll be sharing Monmouthshire County Council's Budget position and 2021/22 plans
  - **We have successfully managed to save £22.0m over the last 4 years**
  - The Council continues to face ongoing and significant financial, demographic and demand-led pressures - £10.1m in 21/22
  - Despite an above average funding settlement we remain the worst funded Council in Wales
  - Despite this we continue to support the priorities of the Council – including those set out in the Winter COVID-19 plan

- A truly unprecedented year – severe flooding followed by the pandemic response and its impact
- **More cost** - our costs are rising with our ageing population, an increased demand for core services, high resident expectations, contract inflation and legislative impacts
- **A need to invest in the future to** ensure services offered remain relevant and appropriate in meeting the County's needs; whilst making sure everything is as efficient and effective as possible
- **Insufficient funding** – Whilst Welsh Government funding increases it remains insufficient to cover service pressures
- A need to make **one-off use of reserves** to support the Council and alongside the response to the pandemic
- We continue to **challenge services to sustain themselves rather than see closure of services that matter**. If things close they never return – better to scale back rather than withdraw

- Given the extent of pressures on services we are being forced to **increase council tax by 4.95%** in 21/22
- We have no other viable options e.g. our reserve funding (contingency money that the council has to save to plan for the unexpected) is already at low levels and is being drawn upon to mitigate other risks



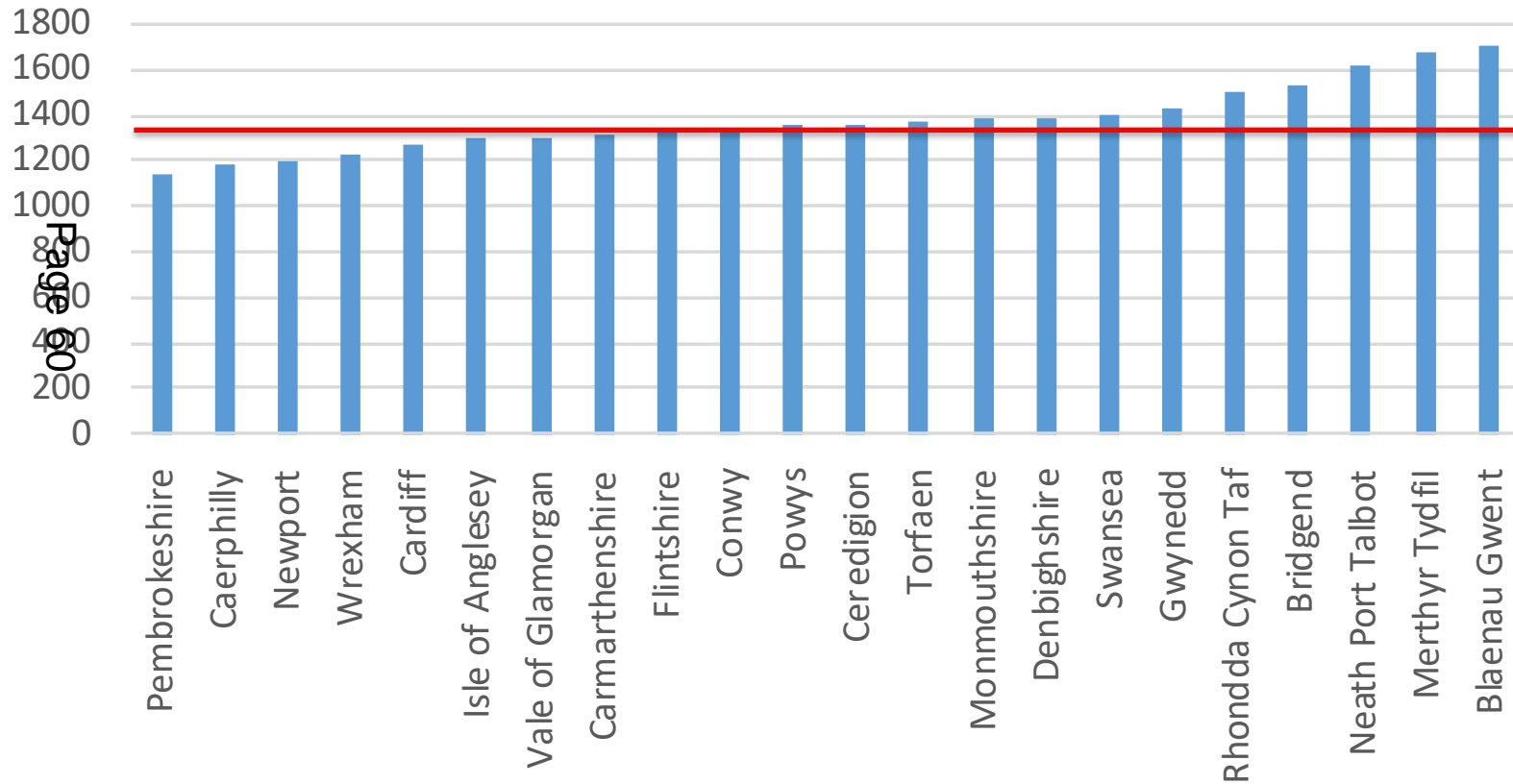
# Proposed council tax increases

## Council Tax Banding increases on MCC element only

Bands	Current 2020/21	4.95% increase	Draft 2021/22	Increase per week
A	£ 920.51	£ 45.57	£ 966.08	£ 0.88
B	£ 1,073.93	£ 53.16	£ 1,127.09	£ 1.02
C	£ 1,227.35	£ 60.75	£ 1,288.10	£ 1.17
D	£ 1,380.76	£ 68.35	£ 1,449.11	£ 1.31
E	£ 1,687.60	£ 83.54	£ 1,771.14	£ 1.61
F	£ 1,994.44	£ 98.72	£ 2,093.16	£ 1.90
G	£ 2,301.27	£ 113.91	£ 2,415.18	£ 2.19
H	£ 2,761.53	£ 136.70	£ 2,898.23	£ 2.63
I	£ 3,221.78	£ 159.48	£ 3,381.26	£ 3.07

# How Council Tax compares across Wales

## Band D Equivalent Council Tax 2020-21

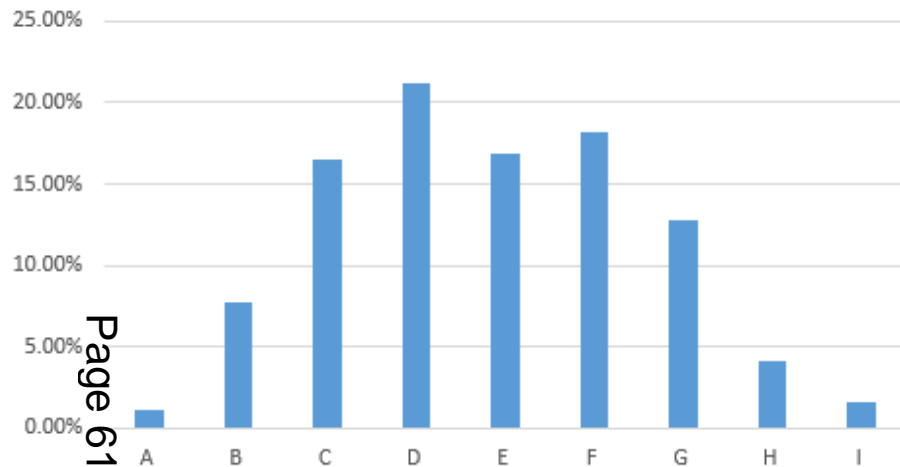


Band D of £1,380.76 (Council element only) compares to Welsh average of £1,354.02 in 2020/21.

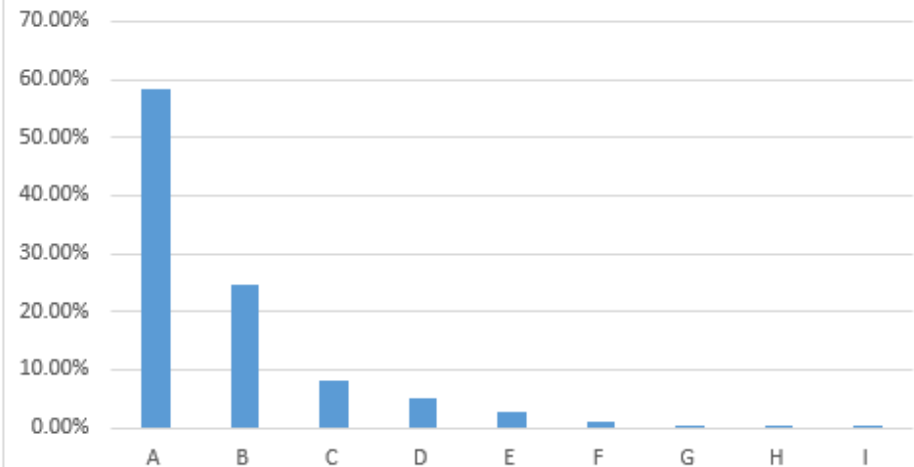


# Council Tax as a share of WG funding

Monmouthshire Council Tax Bands



Blaenau Gwent Council Tax Bands

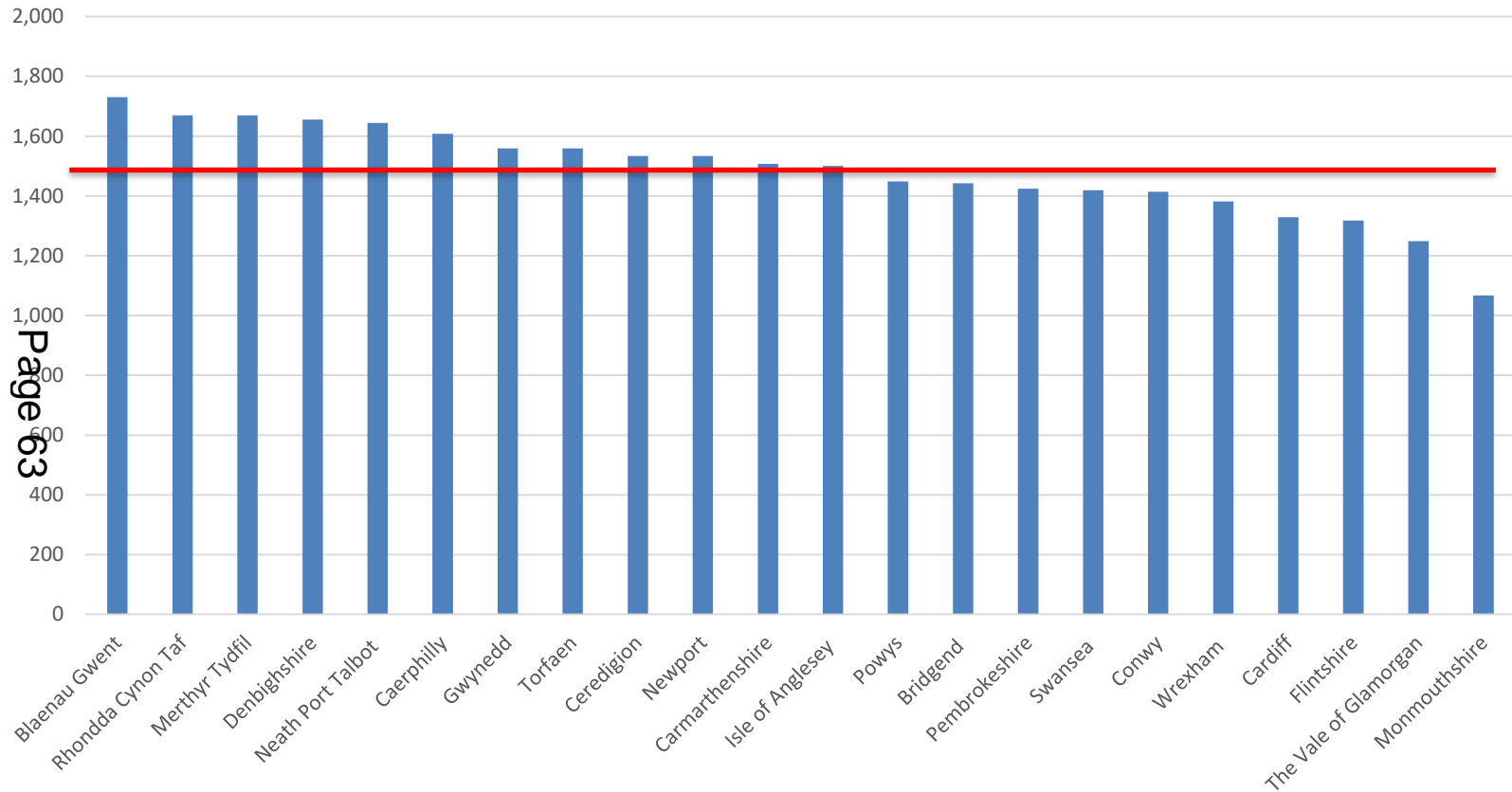


- Blaenau Gwent had the highest band D in Wales of £1,711.83 compared to MCC (£1,380.76) in 2020/21
- Total amount of Council Tax raised is highest in MCC because it has the most significant number of properties in the band D to I range.

- MCC saw a 3.9% increase in its core funding from Welsh Government – above the all-Wales average increase of 3.8%
- It is welcomed that Welsh Government funding will now go up for a second year following years of ongoing reductions
- MCC still remains the worst funded Authority in Wales per head  
The settlement does not offset all the Council's pressures and inflation
- Any subsequent pay awards will need to be accommodated
- Welsh Government specific (non-core) grant funding is an evolving picture – information awaited
- General capital funding from Welsh Government has been broadly maintained. Again clarification awaited on specific capital funding streams
- COVID funding for next year still to be confirmed
- Clarification still awaited on reliefs available to businesses

# Funding from Welsh Government (1)

Provisional Settlement AEF per capita (£)

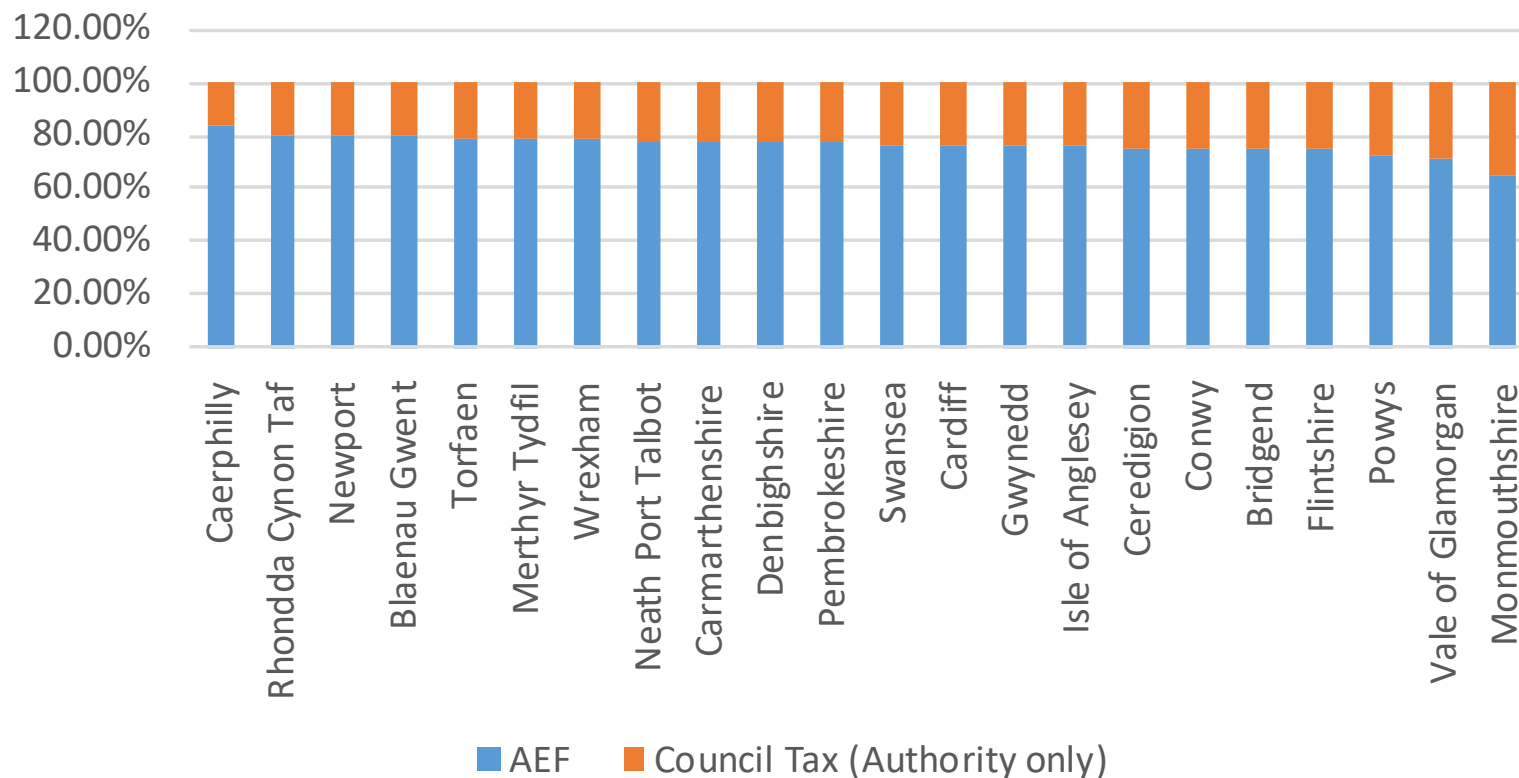


MCC gets the least funding per head of population (£1,067) compared to the rest of Wales (average £1,471)

# Funding from Welsh Government (2)

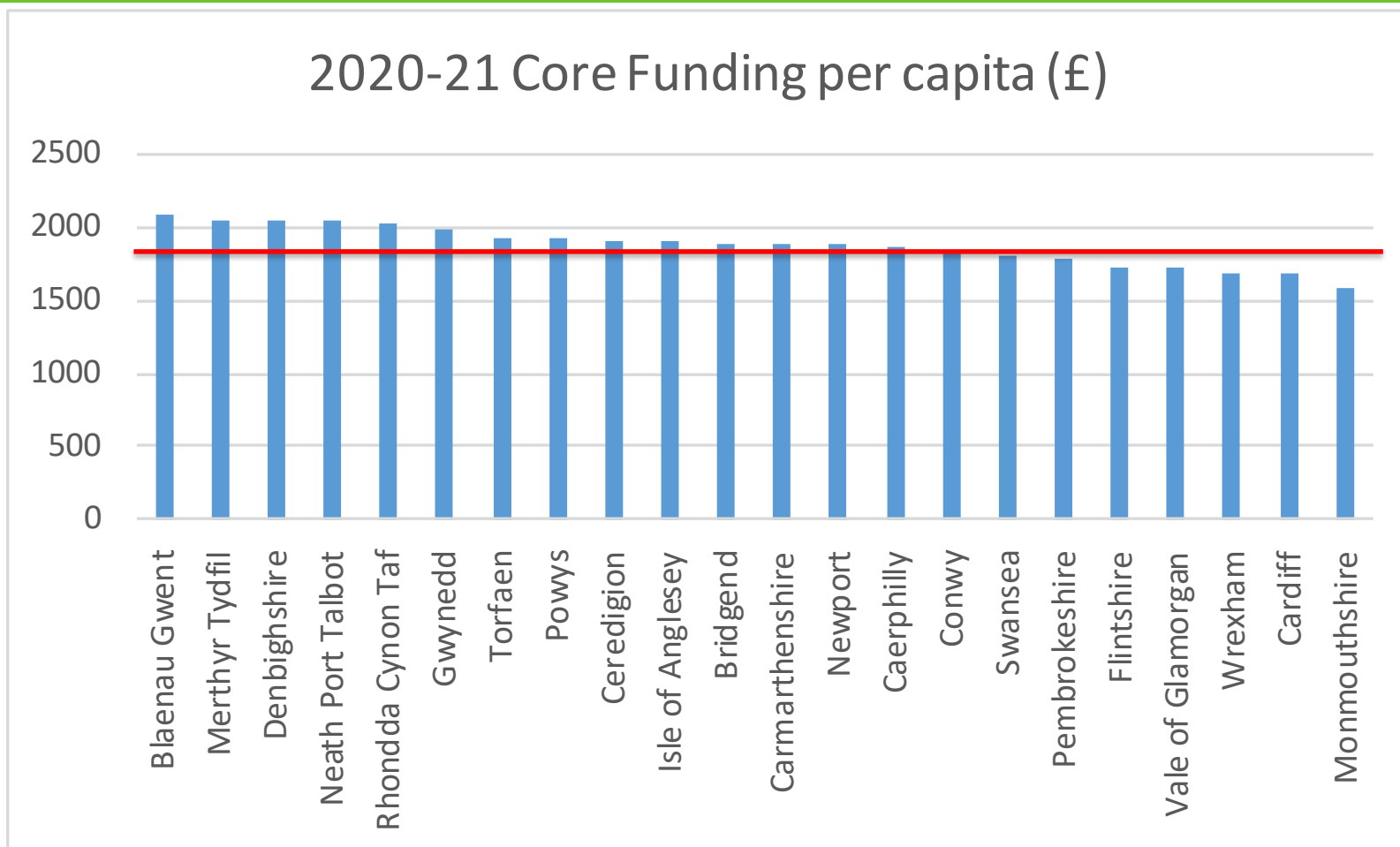
## 2020-21 Core Funding Analysis

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This illustrates the level of Council Tax raised by MCC in comparison to funding from Welsh Government. 34.4% against a Welsh average of 23.0%.

# Funding from Welsh Government (3)



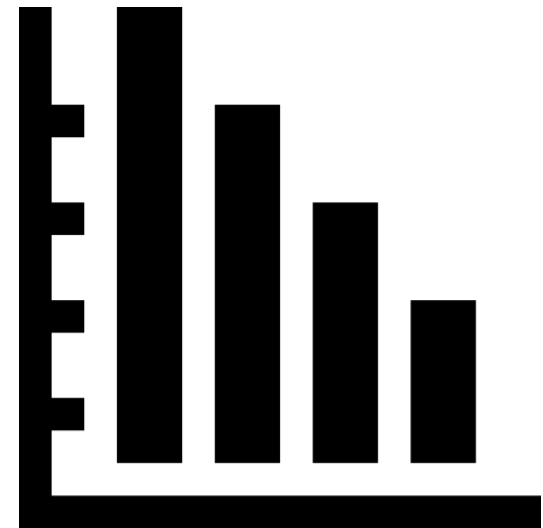
MCC still gets the least funding per head of population (£1,593) compared to the rest of Wales (average £1,852, highest Blaenau Gwent £2,096) – with Council Tax and AEF

# Budget for 2021/22 will see...

- Recognises in full all pay and pension-related spending pressures in schools
- Recognises increasing demands placed on children's and adult social services and children with Additional Learning Needs
- Responding to the needs of the homeless
- Limited scope for frontline services to make efficiency savings
- Continued drive for service efficiency and effectiveness
- Fees and charges increases limited as much as possible
- All local services still being maintained



- Modelling the budget using the assumptions and including the pressures created an initial gap of £5.3 million and £22.5m over 4-year MTFP
- Revised pressures of £10.1m then included
- Proposed savings of £3.7m included

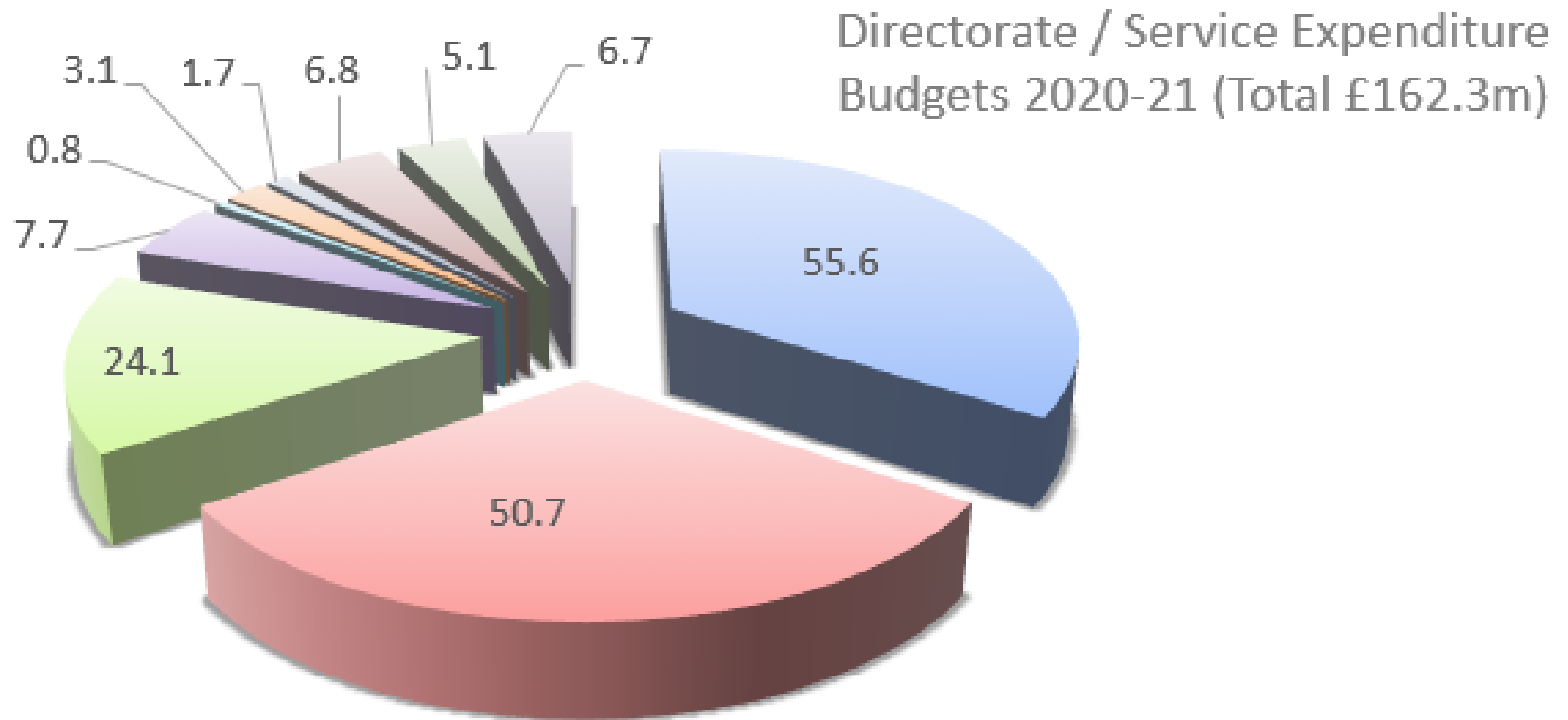


# Budget Summary

<b>BUDGET PROGRESS TO DATE</b>	<b>£'000</b>	<b>£'000</b>
Gross Expenditure		247,247
Full cost Pressures	1,423	
Specific service Pressures	10,070	
	11,493	11,493
<b>Sub Total Expenditure</b>		<b>258,739</b>
Gross Income		(247,247)
<b>Savings Proposals</b>		
Service efficiencies	(3,268)	
Welsh Government settlement funding implications	(3,723)	
Income generation increase	(415)	
Council tax additionality	(3,339)	
	(10,744)	(10,744)
<b>Sub Total Income</b>		<b>(257,991)</b>
<b>Net Expenditure</b>		<b>748</b>
Council Fund contribution		(748)
<b>Net Expenditure</b>		<b>0</b>



# What it costs to deliver services



- Children and Young People (34.2%)
- Enterprise (including Monlife) (14.9%)
- Regulatory & Admin (0.5%)
- Customer Services and Community Hubs (1.0%)
- Precepts and Levies (3.1%)
- Social Care and Health (31.2%)
- Resources (4.8%)
- Legal, Policy & Democracy (1.9%)
- Council Tax Reduction Scheme (4.2%)
- Borrowing Costs (4.1%)

**Children and Young People** – comprising individual school budgets together with school improvement and LEA run services such as overseeing school admissions and supporting children with Additional Learning Needs

## **Social Care & Health**

- Services to adults and which seeks to enable them to live as independently as possible
- Services to help the most vulnerable children and families
- Services centred around public protection such as trading standards and licencing

## **Enterprise**

- Supporting economic development in the County
- Waste and recycling, highways maintenance, transport and other operational services
- Planning and housing services

## **MonLife**

- Providing a wide range of tourism, leisure and culture services

## **Chief Executive's Unit**

- Administers the democratic process through member support and democratic services
- Legal services and land charges
- Corporates services such as communications, customer services, welsh language and equalities

**Resources** – support services such as finance, ICT, HR, payroll, training, emergency planning, estates, property services, procurement and commercial activities

**Corporate Costs** – precepts and levies to other statutory bodies as well as other costs such as insurances, bank charges and audit fees

**Appropriations** – the costs of borrowing together with contributions to or from earmarked reserves

**Financing** – comprising core Welsh Government funding, council tax income and any contribution from the Council's general reserve

# Financial pressures on the Authority

	<b>2021/22</b>
	<b>£000</b>
Children & Young People	1,469
Social Care & Health	2,979
Enterprise	3,754
Monlife	353
Resources	756
Chief Executives Unit	195
Corporate Costs & Levies	520
Appropriations	44
<b>TOTAL PRESSURES</b>	<b>10,070</b>

- Pressures remain out of the control of the Authority – driven by demand pressures, inflation and legislative changes
- Pressures have been challenged and where possible managed or mitigated
- Significant pressures totalling £10.1m include:
  - Children with additional learning needs demand pressures – £1.47m
  - Funding Children's Services looked after children pressures (LAC) – £1.46m
  - Recycling and Waste – increased cost of treatment and disposal, contract inflation, reduced grant funding and costs associated with new service provision – £1.44m
  - Passenger Transport Unit – pressures resulting from catchment changes and increases, increased staffing costs resulting from an increase in-house provision required and a loss of private hire income (£917k)

- Pressures within adult social care – uplifts to fees for external care providers (£536k) and £250k to deliver to address shortfall in commissioned care in Usk area – £0.79m
- Pressures to respond to needs of the homeless and in line with Welsh Government’s revised policy position – £874k
- Pressures relating to the unbudgeted element of the 20/21 pay award and staff efficiency savings that cannot be absorbed due to service demand pressures, most notably in social services – £918k
- Income shortfalls – £777k of pressures that result as an indirect consequence of the pandemic or that have been deemed not achievable
- Corporate costs – £474k of pressures resulting from increases in precepts and levies from the South Wales Fire and Rescue Authority and Coroner’s service, increased insurance premiums and pension strain costs

# Proposals to make savings

**2021/22**

**£000**

Children & Young People 1,510

Social Care & Health 326

Enterprise 821

Monlife 104

Resources 165

Chief Executive's Unit 32

Corporate Costs & Levies 1,000

Appropriations -275

**TOTAL SAVINGS** **3,683**



- After several years of making significant savings the means of achieving further savings becomes increasingly more challenging
- Exacerbated by the pandemic and where officer time has had to be diverted to the emergency response and ensuring vital services are delivered
- In-year over spend, whilst being managed via a recovery plan, sees significant service pressures carried through into 21/22
- With this already challenging backdrop has made the budget challenge even more acute
- The savings package has therefore principally comprised:
  - Saving resulting from in-year decisions already taken
  - Flexible use of capital receipts to fund costs of service reform
  - Increased income generation from fees and charges
  - Additional specific grant funding

- Savings of £1.258m from Mounton House special school following its closure
- Flexible use of capital receipts to capitalise revenue costs relating to service reform (£1.0m)
- Recycling and waste – £685k of savings notably resulting from in-year decisions by the Council (garden waste collection, introduction of polypropylene bags and HWRC changes) and reduced tonnages to landfill
- Income generation resulting from anticipated increased income, new charges and increases in existing fees and charges (£415k) – including £252k from additional ALN recoupment income

- Additional specific grant funding – an increase in the social care workforce and sustainability grant from Welsh Government from £40m to £50m in 2021/22 will provide an additional £247k grant income – that will offset existing and relevant pressures in adult social care
- Targeted accommodation and mileage savings and that look to ensure that efficiencies are realised from new ways of working in response to the pandemic (£121k)

# Impact of the budget proposals

All proposals assessed early for equality impact and Wellbeing and Future Generation considerations

A number of areas that could impact on residents:

- An increase in council tax for modelling purposes of 1% to 4.95%
- Proposals increase fees and charges in a number of areas in line with inflation though kept to a minimum

The Council Tax reduction scheme offers some mitigation for low earners and those in receipt of benefits. Single person households are also eligible for a 25% reduction on council tax

Charges for domiciliary and residential care are also means tested and are capped to mitigate the impact of those on the lowest incomes

- Ongoing commitment to fund Future schools programme – business case being developed for Abergavenny 3-19 (band B); Chepstow comprehensive to follow in band C
- Ongoing commitment to Cardiff Capital Region City Deal
- Borrowing for commercial investments and acquisitions – commercial risk appetite reviewed as a result of pandemic
- Severn View care home replacement being delivered on Crick Road site
- Investment maintained at current levels in:
  - Core programme circa £5.3 million covers highways and property planned maintenance and county farms
  - Disabled Facility Grants – £900k
  - Access for All - £250k
- Flexible use of one-off capital receipts to meet cost of service reform

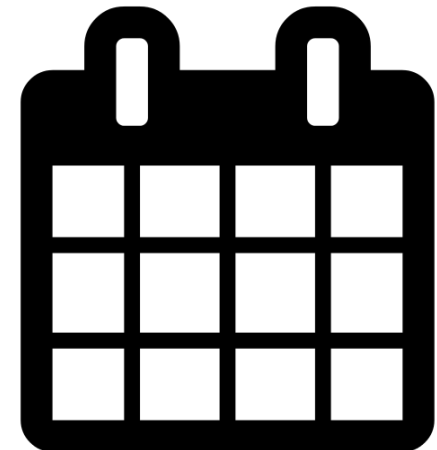
- Band B and Band C schools – MCC match funding element
- Backlog maintenance – Property, disability discrimination act work (e.g. access to buildings etc.), improve roads, rights of way, bridges, culverts and walls – review being undertaken to determine whether any risks require more immediate attention
- Arrest road closures due to land slips
- Ash tree die back disease response
- Homelessness and housing related provision
- Provision of low cost (affordable) housing
- Digital infrastructure investment
- Transportation/active travel considerations
- Investment in rationalisation of community amenity sites (waste & recycling and depot infrastructure)
- MonLife investment considerations
- Climate emergency and carbon reduction commitments
- Match funding for specific grant funding schemes

- The continued impact of the pandemic – on the Council, the local economy and its communities
- Risk that Welsh Government funding will not be forthcoming to fully meet costs and income losses resulting from the pandemic
- The extent of any further service pressures and given the volatility in some areas such as social care and ALN
- The need for early clarification on levels of specific grant funding and that help sustain some services
- The impact of any nationally set pay awards for teachers and local government staff – any pay award in excess of 1% will result in a further pressure for the Council
- Use is being made of limited capital receipt balances and the Council's general reserve to support the budget – this is not a sustainable approach but is necessary this year

- Public finances are being impacted in a truly unprecedented way as a result of the pandemic
- The chancellor was only able to announce a one-year spending review for 2021/22 – rather than over 3 years
- Welsh Government unable to provide indicative settlement projections for 22/23 and 23/24
- Unclear as to what approach UK Government and the Chancellor is going to take in restoring public finances, when this impact will be felt and how local government in Wales will be impacted
- Introduces significant challenges and uncertainties in setting the budget for 22/23 ahead of a local government election – best and worst case scenarios offer very different outcomes



- Budget proposals available for consultation – 20<sup>th</sup> Jan 2021 to 17<sup>th</sup> Feb 2021 (4 weeks)
- Select Scrutiny – Jan 2021
- Public consultation to end on 17<sup>th</sup> Feb 2021
- Final Budget Cabinet – 3<sup>rd</sup> March 2021
- Council tax setting and budget – 11<sup>th</sup> March 2021



## 1. Recognising investment in services to accommodate revenue pressures:

- Pressures within Adults portfolio: £1.226m (12% of total pressures)

Ref	Social Care & Health	£000
SCHFEES 21.22	Provider fees	536
SCHACC 21.22	Share of the overall £346k pay award pressure put forward for the SCH directorate	198
SCHACC 21.22	Unachievable 2% staff efficiency saving	242
SCHUSK 21.22	Month 7 pressure - Increase in care packages (Radis Usk)	250
	<b>SCH Totals</b>	<b>1,226</b>

## **2. Acknowledging savings incorporated in the revenue budget proposals:**

- Savings within Adults portfolio total: £0.326m (9% of total savings)

Ref	Social Care & Health	£000
SCHF&C 21.22	Fees & Charges 2021/22	(79)
	Increase in SCWD grant	(247)
	<b>SCH Totals</b>	<b>(326)</b>

## Fees & Charges

- Fees and Charges increases: £79,000 across SCH.
  - £11,000 relates to Non-residential fees
  - £68,000 relates to Residential/Nursing fees
- A detailed breakdown of the individual fees and charges increases can be found attached to the budget papers presented to 20<sup>th</sup> January Cabinet (Appendix 2).

## Monmouthshire Select Committee Minutes

Meeting of Adults Select Committee held at Remote Microsoft Teams Meeting on Tuesday, 20th October, 2020 at 10.30 am

### Councillors Present

County Councillor S. Howarth (Chairman)

County Councillors: S. Howarth, L.Brown, R. Edwards, M.Groucutt, R. Harris, P.Pavia, M. Powell and S. Woodhouse

Also in attendance: County Councillors R.J.W. Greenland and S. Jones

T. Crowhurst

C. Bowie:

### Officers in Attendance

Hazel Ilett, Scrutiny Manager

Robert McGowan, Policy and Scrutiny Officer

Louise Corbett, Strategy & Policy Officer - Affordable Housing

Ian Bakewell, Housing & Regeneration Manager

Stephen Griffiths, Strategy & Policy Officer

Jane Oates, Housing Options Officer

Lyn Webber, Flexible Funding Strategic Manager

**APOLOGIES:** None

#### 1. Declarations of Interest.

There were no declarations of interest.

#### 2. Public Open Forum.

No members of the public were present.

#### 3. Homesearch Allocations Review and Policy amendments - To review the allocations Policy.

Officers Louise Corbett presented the report and answered the Members' questions, with additional responses from Ian Bakewell and Cabinet Member Bob Greenland.

##### **Challenge:**

*There's no mention of prisoners – are they long-term or short-term, do we think of accommodation for them?*

Being in prison doesn't give someone a local connection. Once they are out, they are asked to go back to the area in which they lived previously. Therefore, it isn't something that needs to be stated specifically in the policy, as they wouldn't meet the criteria.

*With a mobile app, whom do applicants go to if they don't have the right technology or signal?*

That is a valid point. We are aware that there are older or vulnerable people on the waiting list who perhaps aren't able to self-serve or do everything digitally. Therefore, nothing has changed in relation to the team being available. We still have the phone number and officers to facilitate. None of that has ended but the digital side has made us more efficient. The public can still get Homesearch support from the Hubs and the Options Team.

*It is good to have flexibility, as Covid will create more challenges.*

The key aim of the review was to build flexibility into the policy, and that it was robust and would respond to challenges. We feel that with the proposed amendments we are covered well in these regards.

*Has an Equality Impact Assessment been carried out on the whole policy? What about older people who will not be given a mortgage, as they might not have the years in which to pay it back?*

One was done, and it should be attached to the reports pack online. When it came to looking at capital assets and figures, such as £45,000 per annum for someone to have sufficient means to secure their own accommodation, we looked at a Monmouthshire average for property and rental prices, rather than area-by-area. This is because part of the aim is to simplify the process – we didn't want to be drawn into the differences by individual town. The data led us to propose a sum that is reasonable for someone to be expected to solve their own housing issue, especially as purchasing might not be the right avenue, but the private renters' sector could be. However, the difficulty of purchasing a property outright for older people, given the time required to pay off a mortgage, is noted.

*What are the implications of the point scoring system?*

It is a needs-based system. If someone were fit and healthy, and had capital assets, we would say that they have sufficient financial resources, and they would be placed in the lowest band (5). But if someone has a welfare need or a medical issue, the flexibility built into the policy now allows a little discretion whereby those cases can be considered, taking into account the person's capital assets, with the medical issue giving them a higher banding. Other considerations included in the process would be their age, where they are living, etc.

*Do the proposals link with those for Future Wales, the national plan for 2040? This says there should be 45% social housing, but in recent years we have only built 18-19%.*

Councillor Greenland: We are in the middle of the process of formulating a new Local Development Plan now, which is the means by which new housing is delivered. Unfortunately, our plans have been much delayed by the pandemic. The problem we always have in Monmouthshire is that developers want to build large, 4-bedroom houses. We have to build in policies in the future that give us much more control over what is built. We have a problem in meeting the Welsh Government's 45-55 split, because it is impossible to get a commercial developer to deliver that level of social housing. The level we have built is indeed disappointing – we had ideas of getting to 30% social housing. When a developer looks at a site, they will then negotiate with a local authority, and say they can't build a certain amount. The site then either stays vacant or we negotiate whatever we can in terms of social housing. That's no longer going to be the case because we have worked with Melin and Monmouthshire Housing, and I'm sure that in the future we will be able to achieve the level of affordable housing needed, particularly concerning land owned by Monmouthshire County Council.

Unfortunately, in considering the LDP and which sites to take forward, preference cannot be given to sites owned by the County Council. Sites have to be considered purely on their individual merits. The situation is therefore a difficult one, and not helped by the fact that in the National Development Framework, Welsh Government believes that housing should be near the Metro and up in the valleys. Nevertheless, in formulating the new LDP Planning officers will certainly look at how we can deliver the level of social housing that we know is needed.

*Has consideration also been given to Care leavers?*

Care leavers are awarded High Priority need, and always have been. We have really good links with Social Services, and we are trying to do even more work with them now. As soon as a young person is ready to leave foster care, support is given in terms of their housing, and their having a priority status in order to move on quickly through the system to permanent housing.

*Should the policy include medical need, either physical or mental?*

Medical need is addressed. We look at people's mental and physical conditions. There is a medical questionnaire to fill out if a person declares a medical condition, and we ask for doctor's information. In cases of a physical disability, an Occupation Therapist will look at the case and make recommendations in terms of housing and the level of need.

*It's not clear how the banding process reflects mental and physical needs.*

It will depend on the level of their need. When someone applies, they will be asked if they have a physical disability or issue, and we will ask for information from doctors or anyone supporting them in that regard. Based on the combined information, an assessment is made as to whether the person is high, medium or low need, as medical need will only be taken into consideration if their current living conditions are unsuitable or making that medical need worse. If where they currently live is suitable for their medical need then they will receive a low banding, but if they need to be rehoused on medical grounds, then whether they are low, medium or high will depend on the severity of their condition. But that is determined on a case-by-case basis.

*Is there a right to appeal on decisions?*

Yes, any element of the decision process is open to review, so the person would simply need to contact the team.

*Could the point about prisoners be clarified, regarding residents of Monmouthshire who have been incarcerated outside the county?*

If a Monmouthshire resident were in prison outside the county it wouldn't entitle them to any housing status in the local authority where they were imprisoned – they would be referred back to Monmouthshire. We have local connection criteria, with 5 years of residence being the standard that we look at, but there is discretion e.g. if someone applied after a long time in prison, we would look at their address history prior to going in.

*What should someone do in the situation of the person at the bottom of the list?*

It is very difficult when developing a policy and procedure to get every circumstance correct. There is flexibility in the policy to give discretion as and when it is needed. We have responded to the query regarding the individual, and the policy will support them. As the policy moves along we can look at particular cases, and make changes where we can. The team would welcome liaising with Tony Crowhurst about any aspect of the policy, on an ongoing basis as a Critical Friend.

### **Chair's Summary:**

The officers have agreed to check the banding process in relation to mental and physical needs and provide clarification in the final policy as needed, and check if the point relating to family members living in the community for 5 years needs to be clarified on p13 of the Appendix.

Councillor Harris suggested that perhaps we should be stronger in dealing with developers when they refuse to include the level of social housing that we require, but noted that the developers have a strong hand, and therefore backing should be sought from Welsh Government. Councillor Edwards observed, regarding the revision of the LDP and consideration

of elderly residents, that the county doesn't build enough bungalows and housing of a size that can accommodate a wheelchair, or a second bedroom for a carer, should one need to stay with the resident.

Tony Crowhurst queried the point about disabled people applying for private rental accommodation, noting that this has been a problem for many years. He described the case of an individual who has been sofa surfing for 18 months who has had an assessment done that supports her disability claim, yet remains at the bottom of the list. She lives in Caldicot but the closest place that could be found that suits her needs is in the Forest of Dean, 45 minutes from her circle of support. He questioned the concept of making an average across Monmouthshire, given its variety, rather than focussing on individual circumstances, and asked where in the document the Points system is explained. Councillor Greenland stated that he will take up Mr Crowhurst's comments with officers.

The policy has been very helpful for Councillors to explain to residents the reasons behind applicants being given the properties they have. We aren't going to please everyone but we are making good progress, and hopefully we can get as close as possible. The committee is happy for the recommendations to go to Cabinet.

#### **4. Homeless Briefing Report and Emerging Proposals for Future Delivery of Homelessness.**

Officer Ian Bakewell delivered the report. Cabinet Member Bob Greenland added the following comments:

The amount of work performed by the team is enormous and their commitment to homelessness is unwavering. Officer Bakewell has given Councillor Jones and me regular updates, which we have passed on to Cabinet, and he has attended informal Cabinet meetings. The situation has been worsened by the pandemic. Early on, Minister Julie James gave money, for which we are very grateful, for taking people off the streets. As infection rates grew in the spring, people who had been sofa surfing presented as homeless overnight, as they could no longer stay where they were. We anticipate big problems this autumn and winter. There are no easy answers, as the Council currently has huge draws on its limited resources. We do recognise as a priority the issues faced by this area of council work, in particular. We will do everything we can to achieve what is needed.

Officer Bakewell answered the Members' questions, with additional comments from Lyn Webber:

##### **Challenge:**

*What is the approximate cost for a pod?*

They cannot be bought outright – there's a rental charge of around £120-150 a month. They are delivered on the back of a lorry, and are fairly easy to install. We have always balked at their use, and we don't really have anywhere suitable for them. Their use would be a last resort, as an interim measure to empty Monmouth market hall and provide accommodation until something suitable was found.

*Is there anything that can be done to persuade banks and building societies to be more lenient for those hit by the pandemic now, so that they don't become homeless?*

This is an area in which we need to invest. If people come through with those circumstances, then we need to do everything we can to support them; part of that would be to engage with



banks and building societies, and support the people with their potential debts. There are a few schemes to note coming out of Welsh Government, though they will be loans with a 1% interest rate. Another dimension of that is the Council's housing support arrangements: they will work very closely with people in those circumstances as well.

Because of the new guidance that has come from Welsh Government, at the start of the pandemic the teams realigned services to support those in temporary accommodation. We have had support from Monmouthshire Housing and worked to ensure that those in temporary accommodation are supported where appropriate. Realigning the services has been stressful given the existing caseloads, but the teams have done very well. We hope to make that situation a permanent one. It is difficult because we have to comply with the terms and conditions of the Housing Support grant, in which there is a requirement on us to do preventative work, supporting domestic violence and abuse victims, older people, etc. It is a fine balancing act.

*What support do you get from the Gwent Drug and Alcohol Service? Or from the Health Board? Have grants from the Police and Crime Commissioner been explored?*

At the beginning of Covid, our arrangements with GDAS were probably not as they should be. We have been working closely with them around their existing provision, but that doesn't have capacity for the number of people that we now know need support. But we have secured funding from Welsh Government until April for a dedicated GDAS worker who will focus on our B&Bs and temporary accommodation. Other authorities are having similar problems. The conversation has started about a Gwent project – the need for it is well understood.

*Because of the change in Welsh Government policy, do they not want night shelters or is it that they are no longer needed?*

We want to end night shelters, as they aren't appropriate accommodation. Welsh Government is certainly against them now, though they are also against pods. They have said again today that they will not support any night shelters, as they cannot be COVID safe. However, if the situation were to ever demand the use of pods they would consider them. The policy change seems to be here to stay, with Welsh Government moving away from intentional homelessness – anyone needing accommodation will have to be provided with some. Everyone supports this but the resources need to be there.

*Last winter, some local churches provided emergency accommodation – are there any agencies at this time that can offer assistance?*

As a council, we cannot actively use churches, though they are able to provide accommodation independently. The Covid risk assessments that churches need to follow would not allow that going into this winter. There might need to be relaxations in the rules going forward.

*How does washing clothes etc. work with pods?*

There is an example in Newport in which I believe one pod is set up as a separate utility pod.

*Is GDAS able to undertake tests for Hep C, for example?*

GDAS is able to undertake Blood Borne Viruses (BBV) tests that would cover HepC. They are also undertaking Harm Reduction Work with clients where needed. We haven't been informed that these tests are not able to be completed during the COVID period. ABUHB sits on the Area Planning Board and their respective Commissioning Board.

*Are BBV nurses able to support GDAS in their commissioned work on the frontline or have they/are they being drawn elsewhere because of COVID pressures?*

MCC's GDAS Phase 2 Assertive Outreach Worker started 3 weeks ago and BBV testing is one of the first services she has offered service users.

**Chair's Summary:**

Councillor Edwards wondered if static caravans might be better and more cost-effective than B&Bs or pods. She expressed concern that more homes will be repossessed due to redundancies, and noted that there is a subtle distinction between homelessness and rough sleeping – some of the latter might not want to go into permanent accommodation but would welcome the help in winter.

The Members expressed their appreciation for the team's continuing hard work. The Committee agreed the recommendations.

**5. To confirm the minutes of the previous meeting (to follow).**

The minutes of the previous meeting held on 29<sup>th</sup> September 2020 were confirmed and signed as an accurate record, with the following amendment:

Under Item 5, Councillor Brown proposed that when housing is planned, density of the living arrangements needs to be strongly considered on a public health basis (to prevent the spreading of pandemics and expressed concern about the density proposed in urban areas for future housing in the draft NDF).

**6. Adults Select Committee Forward Work Programme.**

The Gypsy & Travellers Assessment should be included in the December meeting. The Homelessness report from today's meeting will also go to Children and Young People Select committee. Budget Recovery scrutiny will take place after Christmas. We will seek an update from the Health Board regarding substance misuse, as well as a report on support for sufferers of dementia, and their carers.

**7. Council and Cabinet Forward Work Planner.**

**8. Next Meeting: Tuesday 15th December 2020 at 10.30am.**

The meeting ended at **12.25 pm**

## Monmouthshire's Scrutiny Forward Work Programme 2021

Adults Select Committee				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
26 <sup>th</sup> January 2021	Budget Monitoring	Scrutiny of the budget monitoring capital and revenue position at Month 7, setting the context for scrutiny of budget proposals.	Peter Davies	Budget monitoring
	Budget Scrutiny	Pre-decision scrutiny of the Council's budget proposals.	Peter Davies	Pre-decision Scrutiny
16 <sup>th</sup> March 2021	To be confirmed			

### Future Agreed Work Programme Items: Dates to be determined

- ✓ **Mental Health Services** ~ Jointly with Children and Young People's Select Committee (ABUHB and Eve Parkinson)
- ✓ **Community Development and Well-being** ~ results of most significant change ~ possible workshop
- ✓ **Market place for social care** ~ better understanding of services, play space community staff, integrated workspace, hub services, Turning the world upside down. Housing element.
- ✓ **Performance reporting (normal plus other things Homefirst)**
- ✓ **Annual Complaints Report for Social Services**
- ✓ **Housing register allocations policy** ~ Nov/December
- ✓ **Housing Support Grant** ~ replaces the supporting people grant (children and communities grant ~ Sharran Lloyd) ~ how is the money used (homeless prevention ~ difficult places) ~ homelessness ~ late autumn (discussion with Sharran Lloyd)

### Joint Scrutiny with Children and Young People's Select Committee:

- ✓ **Mental Health Capacity Act and Learning Disabilities** ~ linked to implications of the DOLS (Deprivation Liberty Safeguards) Grant
- ✓ **Adults Carers Strategy and Children and Young People's Carers Strategy.**

## ***Monmouthshire's Scrutiny Forward Work Programme 2021***

- ✓ **Safeguarding Performance Reporting and Progress of Regional Safeguarding Boards ~ Violence against Women, Domestic Abuse and Sexual Violence (Wales) Act 2015**
- ✓ **Regional Integrated Autism Service**
  - Regional partnership boards and integrated care fund transformation funding and impact, risks associated with funding stream

## Cabinet, Council and Individual Cabinet Member Decisions (ICMD) Forward Plan

Monmouthshire County Council is required to publish a forward plan of all key decisions to be taken. Council and Cabinet items will only be considered for decision if they have been included on the planner no later than the month preceding the meeting, unless the item is considered urgent.

Committee / Decision Maker	Meeting date / Decision due	Subject	Purpose	Author	Date item added to the planner	Date item originally scheduled for decision
Council	01/10/23	LDP for Adoption		Mark Hand	23/01/20	
Council	01/02/23	LDP submission for examination		Mark Hand	23/01/20	
Council	01/07/22	LDP Deposit Plan endorsement for consultation	Endorsement of Deposit Plan	Mark Hand	23/01/20	
Cabinet	01/09/21	LDP Preferred Strategy endorsement post consultation		Mark Hand	20/05/20	
Cabinet	02/06/21	Budget Monitoring outturn report	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2020/21 financial year	Peter Davies/Jon Davies	02/04/20	
Cabinet	05/05/21	Active Travel Network Maps		Paul Sullivan	13/11/20	
Council	01/05/21	LDP Preferred Strategy endorsement for consultation		Mark Hand	21/09/20	
Cabinet	14/04/21	Welsh Church Fund Working Group meeting	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 9 held on 4th March 2021	Dave Jarrett	02/04/20	

Council	11/03/21	Council Tax Resolution Report		Ruth Donovan	02/04/20	
Council	11/03/21	Treasury Strategy report		Jon Davies	15/12/20	
Council	11/03/21	Constitution Review		Matt Phillips	14/08/19	
Cabinet	03/03/21	Play Sufficiency Action Plan		Mike Moran	14/10/20	
Cabinet	03/03/21	•EAS Business Plan		Sharon Randall Smith	21/09/20	
Council	03/03/21	Final revenue and capital budget proposals		Peter Davies	21/09/20	
Cabinet	03/03/21	Longterm Homelessness Solutions	Deferred from 2/9/20	Mark Hand	07:00	
Cabinet	03/03/21	Social Justice Strategy Update		Cath Fallon	17/09/20	
ICMD	24/02/21	SPG S106 Supplementary Planning Guidance	To clarify how S106 contributions are calculated/ <b>deferred FROM 13/01/21</b>	Phil Thomas / Mark Hand	01/05/19	
Cabinet	03/02/21	Abergavenny CRC (Racecourse Farm)		Mike Moran	14/10/20	

Cabinet	03/02/21	Welsh Church Fund Working Group meeting	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 8 held on 14th January 2021	Dave Jarrett	02/04/20	
Cabinet	03/02/21	Apprenticeship Pay Rates		Gareth James	08/01/21	
Cabinet	03/02/21	Land at Bencroft Lane, Knollbury		Mike Moran	26/08/20	
Cabinet	03/02/21	Outdoor Adventure Provision at Gilwern		Marie Bartlett	30/11/20	30/11/20
Cabinet	03/02/21	Review of Monmouthshire's Destination Management Plan 2017-2020	Purpose: to approve the revised Destination Development Plan	Matthew Lewis	22/09/20	
Cabinet	03/02/21	Proposed Disposal of MCC Cottages		Nicola Howells	15/12/20	
ICMD	27/01/21	Approval on Local Government (Wales) Act 1994 - The Local Authorities (Precepts) (Wales) Regulations 1995	Deferred from 13/1 to 27/1	Jon Davies		
Cabinet	20/01/21	•Draft revenue and capital budget proposals for consultation		Peter Davies	21/09/20	
Cabinet	20/01/21	Chippenham Mead Play Area, Monmouth		Mike Moran	15/12/20	
Cabinet	20/01/21	Play Area Assessments and Future Play Area Policy	to advise members of play area assessments carried out last year and suggest a rationalisation of provision	Matthew Lewis	22/09/20	

Cabinet	20/01/21	BUS EMERGENCY SCHEME (BES) – REQUEST TO ALL COUNCILS TO SIGN UP TO THE BES2 SCHEME		Roger Hoggins	24/12/20	
Council	14/01/21	Council Diary 2021/22		Nicola Perry		
Council	14/01/21	Council Tax Reduction Scheme		Ruth Donovan	07/04/20	
Council	14/01/21	Annual Safeguarding Report		Jane Rodgers	21/09/20	
ICMD	13/01/21	Minerals Regional Technical Statement Second Revision (RTS2)		Rachel Lewis	17/12/20	
ICMD	13/01/21	Museum Service Collection Review	To propose the deaccessioning of and disposal actions for the proposed items in line with Section 4 of the Museums Association Disposal Toolkit	Matthew Lewis/Rachael Rogers	22/09/20	
ICMD	13/01/21	Minimum Energy Efficiency Standards in the Private Rented Sector		Gareth Walters	15/12/21	
ICMD	13/01/21	Staffing Changes: Business Support	To seek approval for the voluntary redundancy of the Chief Executive's Personal Assistant, reducing the cost of administrative support arrangements for the senior management team and contribute to budget savings during the 2021-22 financial year./Paul Jordan	Matt Gatehouse	15/12/21	
Cabinet	06/01/21	Budget Monitoring Report - month 7 (period 2)	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2020/21 financial year.	Peter Davies/Jon Davies	02/04/20	
Cabinet	06/01/21	RIPA Policy		Matt Phillips	21/10/20	



Cabinet	06/01/21	Gypsy Traveller Accommodation Assessment 2020		Mark Hand	23/06/20	
ICMD	23/12/20	Wye Valley AONB Management Plan 2020-2025	To approve the review of the Wye Valley AONB Management Plan 2020-2025 <b>Deferred awaiting new date</b>	Matthew Lewis	22/09/2020/	
Cabinet	16/12/20	Welsh Church Fund Working Group meeting	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 7 held on 3rd December 2020	Dave Jarrett	02/04/20	
Cabinet	16/12/20	Proposal to pause work on a proposed Development Company		Deb Hill Howells	21/10/20	
Cabinet	16/12/20	Local Housing Market Assessment Update		Mark Hand	04/11/20	
Cabinet	16/12/20	Growth Options to Cabinet for endorsement for non-statutory consultation		Mark Hand	21/09/20	
Cabinet	16/12/20	Review of school places in Caldicot town		Matthew Jones	21/10/20	
ICMD	09/12/20	Shire Hall/Monmouth Museum	Paul Jordan	Matthew Lewis	deferred from 11/11	
IMCD	09/12/20	Consultation on Local Government (Wales) Act 1994 - The Local Authorities (Precepts) (Wales) Regulations 1995	To seek Member approval of the proposals for consultation purposes regarding payments to precepting authorities during the 2021/22 financial year as required by statute.	Jon Davies		
IMCD	09/12/20	Council Tax base and associated matters	To agree the Council Tax Base figure for submission to the Welsh Government, together with the collection rate to be applied for 2021/22 and to make other necessary related statutory decisions	Ruth Donovan	02/04/20	

Council	03/12/20	Corporate Joint Committee: Consultation Response'	To discuss and endorse a council response to consultation about draft regulations which will create four regional Corporate Joint Committees. These are a statutory mechanism for regional collaboration by local government.	Matt Gatehouse	16/10/20	
Council	03/12/20	Updated Asset Investment Policy		Peter Davies	21/09/20	
Council	03/12/20	Statutory Director of Social Services annual report		Julie Boothroyd	14/08/20	
Cabinet	02/12/20	InFuSe		Cath Fallon	10/11/20	
Cabinet	02/12/20	Clydach Ironworks Enhancement Scheme Revision/S106 Funding, Cae Meldon		Matthew Lewis	22/09/20	
ICMD	25/11/20	Homesearch Allocations Policy and Amendments	INCLUDED ON 11/11 AGENDA	Louise Corbett	22/10/20	
ICMD	11/11/20	WELSH LANGUAGE COMMISSIONER'S MONITORING WORK 2019-20		Matt Gatehouse		
ICMD	11/11/20	LDP Annual Monitoring Report/ and Annual Performance Report for Planning Service		Rachel Lewis/Phil Thomas	19/10/20	
ICMD	11/11/20	Housing Register Review		Mark Hand	23/06/20	
Cabinet	04/11/20	Outdoor Adventure Service		Marie Bartlett/Ian Saunders	13/10/20	

Cabinet	04/11/20	Public Service Ombudsman's annual letter	To provide Cabinet with a copy of the Public Service Ombudsman's annual letter to inform understanding of the council's performance in handling complaints	Matt Gatehouse	09/09/20	
Cabinet	04/11/20	Welsh Church Fund working group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 4 held on 22nd October 2020	Dave Jarrett	02/04/20	
Cabinet	04/11/20	Three Fields Site Magor – Lease Arrangements		Mike Moran	14/10/20	
Cabinet	04/11/20	Coronavirus Strategic Aims: Progress and Next Steps	To provide an overview of progress against the strategic aims set by Cabinet in July, and communicate an updated version of the plan on a page	Matt Gatehouse	26/08/20	
Cabinet	04/11/20	Section 106 Funding – The Hill, Abergavenny		Mike Moran	20/02/19	
Council	22/10/20	Corporate Plan Annual Report 2019/20		Richard Jones	25/08/20	
Council	22/10/20	MCC Audited Accounts (formal approval)	To notify Council of completed Audit process and resultant accounts - To go to Audit Committee	Peter Davies/Jon Davies	02/04/20	
Council	22/10/20	ISA 260 report - MCC Accounts - attachment above	Deferred from september	Peter Davies/Jon Davies	02/04/20	
Council	22/10/20	Future Data Hall and Data Hosting Arrangements		Peter Davies	16/09/20	
Council	22/10/20	LDP revised Delivery Agreement including LDP timetable and community involvement strategy		Craig O'Connor	03/07/20	

Cabinet	21/10/20	Revenue and Capital Monitoring 2020/21 Forecast Outturn Statement – Month 5		Peter Davies	16/09/20	
Cabinet	21/10/20	MTFP and Budget Process 2021/22 to 2024/25		Peter Davies	16/09/20	
Cabinet	21/10/20	Review of Garden Waste Service		Laura Carter	23/07/20	
ICMD	14/10/20	PUBLIC TOILET PROVISION - GRANTS TO LOCAL COUNCILS AND FUTURE PROVISION IN ABERGAVENNY	DEFERRED	Roger Hoggins	25/09/20	
ICMD	14/10/20	Closure of Capita Gwent Consultancy and distribution of Reserves		Roger Hoggins	25/09/20	
ICMD	14/10/20	Extension of PSPO	To seek approval to extend three Public Spaces Protection Orders (PSPO) in respect of Bailey Park,	Andrew Mason	23/09/20	
Cabinet	07/10/20	Future Data Hall and Data Hosting Arrangements		Peter Davies	16/09/20	
Cabinet	07/10/20	Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 2 held on 28th July 2020 and meeting 3 held on 10th September 2020.	Dave Jarrett	02/04/20	
Cabinet	07/10/20	Future Provision of HWRCs including the closure of Usk recycling centre		Carl Touhig	14/09/20	
ICMD	23/09/20	SCM Collaboration with TCBC Heritage Services		Amy Longford	24/08/20	

ICMD	23/09/20	SCM Collaboration with TCBC Heritage Services		Amy Longford	24/08/20	
Council	10/09/20	Audit Committee Annual Report		Philip White	11/08/20	
Cabinet	29/07/20	Digital Infrastructure Action Plan		Cath Fallon	08/07/20	
Cabinet	29/07/20	'Revenue and Capital Monitoring 2020/21 Forecast Outturn Statement – Month 2		Jonathan S Davies	12/06/20	
Cabinet	29/07/20	Coronavirus Risk Management Update'		Peter Davies	10/07/20	
Cabinet	29/07/20	Welsh Church Fund Working Group meeting	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 1 held on 30th June 2020	Dave Jarrett	02/04/20	
Cabinet	29/07/20	Outdoor Education - Service Update		Marie Bartlett	09/07/20	
Cabinet	29/07/20	Public Toilets				
Cabinet	29/07/20	5G Rural test bed		Cath Fallon/Frances O'Brien		
Council	16/07/20	Climate Emergency Update		Hazel Clatworthy	10/06/20	

Council	16/07/20	CEx Report		Matt Phillips	18/06/20	
Council	16/07/20	Cabinet decision re Gilwern		Matt Phillips	27/05/20	
ICMD	08/07/20	Archaeology Planning Advice	Adoption post-guidance	Mark Hand	19/09/19	Deferred
Cabinet	01/07/20	COVID-19 Evaluation of Recovery Phase and Establishing Aims for Response Stage			17/06/20	
Cabinet	01/07/20	Home to School Transport Policy	Deferred		20/05/20	
Cabinet	01/07/20	Household Waste Recycling Centres	Deferred		20/05/20	
Cabinet	17/06/20	Revenue and Capital Monitoring Outturn	To provide Members with information on the outturn position of the Authority for the financial year	Peter Davies/Jon Davies	02/02/20	
Council	04/06/20	Licensing Act Policy		Linda O'Gorman		
Council	04/06/20	Estyn Report		Will Mclean		
Council	04/06/20	Safeguarding Covid19 Position Statement		Julie Boothroyd		

Council	04/06/20	Chief Officer, CYP Annual Report'		Will Mclean	11/03/20	
Council	04/06/20	Refit Programme		Ian Hoccom	28/02/20	
Cabinet	27/05/20	Safeguarding		Julie Boothroyd		
Cabinet	27/05/20	Active Travel and Town Centres		Paul Sullivan		
Cabinet	06/05/20	Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2020/21 - meeting 1 held on 2nd April 2020	Dave Jarrett	02/04/20	
ICMD	08/04/20	GUARANTEED INTERVIEWS FOR CARE LEAVERS		Gareth James	23/03/20	
ICMD	08/04/20	Momouthshire Registration Service Collaborative Working Agreement		Jennifer Walton	23/03/20	
Cabinet	01/04/20	Staffing re-alignment: Community Hubs and Contact Centre		Matt Gatehouse	11/03/20	
Cabinet	01/04/20	EAS Business Plan		Will Mclean	04/03/20	
Cabinet	01/04/20	Guaranteed Interview Scheme for Care Leavers		Gareth James	28/02/20	

ICMD	25/03/20	Non Domestic Rates: High Street and Retail Rate Relief 2020/21	for approval of the adoption of a High Street and Retail Rate Relief Scheme for 2020/21, in accordance with Welsh Government guidance.	Ruth Donovan	12/02/20	
ICMD	25/03/20	Contract Extension		Tracey Harry	14/02/20	
Council	05/03/20	Pay Policy		Sally Thomas	23/01/20	
Council	05/03/20	Annual Safeguarding Report		Julie Boothroyd	06/02/20	
Council	05/03/20	Strategic Equality Plan		Alan Burkitt	26/09/19	
Council	05/03/20	LDP Preferred Strategy	Endorsement to consult on Preferred Strategy	Mark Hand	23/01/20	
Council	05/03/20	Council Tax Resolution	To set budget and Council Tax	Ruth Donovan	18/04/19	
Council	05/03/20	Mid Term Review of the Corporate Plan		Matt Gatehouse		
Cabinet	04/03/20	Investment Committee		Peter Davies	13/02/20	
ICMD	26/02/20	CHARGING APPLICANTS FOR THE MONITORING OF SECTION 106 AGREEMENTS		Phil Thomas	06/02/20	



ICMD	26/02/20	Non Domestic Rates - Application for Hardship Relief		Ruth Donovan	14/01/20	
Cabinet	19/02/20	2020/21 Education and Welsh Church Trust Funds Investment and Fund Strategies	The purpose of this report is to present to Cabinet for approval the 2020/21 Investment and Fund Strategy for Trust Funds for which the Authority acts as sole or custodian trustee for adoption and to approve the 2019/20 grant allocation to Local Authority beneficiaries of the Welsh Church Fund.	Dave Jarrett	18/04/19	
Cabinet	19/02/20	Mid Term Review of the Corporate Plan		Matt Gatehouse		
Cabinet	19/02/20	Welsh Church Fund Working Group	The purpose of this report is to make recommendations to Cabinet on the Schedule of Applications 2019/20, meeting 7 held on 5th December 2019	Dave Jarrett	18/04/19	
Cabinet	19/02/20	Consideration of Final Revenue and Capital Budget Proposals		Peter Davies	03/10/19	
Cabinet	19/02/20	Proposal to change the school funding formula.		Nikki Wellington		
Cabinet	19/02/20	Strategic Review of Outdoor Education		Marie Bartlett	18/10/20	
Cabinet	19/02/20	Rights of Way Improvement Plan (ROWIP) review/ Policy Statement - Results of statutory consultation and proposed Final Plan	To seek approval of the Review of the ROWIP and associated policies	Matthew Lewis	18/07/19	
Cabinet	17/02/20	•Final revenue and capital budget proposals		Peter Davies	21/09/20	

ICMD	29/01/20	Various roads, county wide Amendment No. 1 of consolidation order 2019 (part 2)		Paul Keeble	13/01/20	
Council	16/01/20	Council Tax Reduction Scheme		Ruth Donovan	18/04/19	
Council	16/01/20	Mid Term Review of the Corporate Plan		Peter Davies	26/09/19	
Council	16/01/20	Local Development Plan Preferred Strategy		Mark Hand	06/09/19	
Council	16/01/20	Constitution Review		Matt Phillips	14/08/19	
Council	16/01/20	Safeguarding - Annual Report to Council		Jane Rodgers	20/06/19	
Council	16/01/20	Proposed Development Company		Deb Hill-Howells	16/09/19	Deferred
Cabinet	08/01/20	Ethical Employment code of practice - Approval Paper Draft		Scott James	08/11/19	
Cabinet	08/01/20	Budget Monitoring report - month 7 (period 2)	The purpose of this report is to provide Members with information on the forecast outturn position of the Authority at end of month reporting for 2019/20 financial year.	Mark Howcroft	18/04/19	
Cabinet	08/01/20	Redundancy implications within MonLife		Marie Bartlett	07/11/20	

Cabinet	08/01/20	Homelessness Report		Deb Hill-Howells	07/11/19	
Cabinet	08/01/20	Primary School Places Reiview in Caldicot		Matthew Jones	02/10/19	
Cabinet	06/01/20	Fixed Play Provision		Mike Moran	26/08/20	

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