

# Public Document Pack



Neuadd y Sir  
Y Rhadyr  
Brynbuga  
NP15 1GA

Dydd Llun, 3 Chwefror 2025

## Hysbysiad a gyfarfod

### Pwyllgor Perfformiad a Throsolwg

Dydd Mawrth, 11eg Chwefror, 2025, 10.00 am,  
Neuadd y Sir, Y Rhadyr, Brynbuga, NP15 1GA

Nodwch y cynhelir rhag gyfarfod 30 munud cyn dechrau'r cyfarfod ar gyfer aelodau'r pwyllgor

### AGENDA

Item No	Item	Pages
1.	Ymddiheuriadau am Absenoldeb	
2.	Datganiadau o Fuddiant	
3.	Fforwm Agored i'r Cyhoedd.	
4.	Cynigion ar gyfer y Gyllideb Refeniw a Chyfalaf – Craffu'r Cynigion ar gyfer Drafft Gyllideb Refeniw a Chyfalaf 2025/26.	1 - 22
5.	Diweddariad Ariannol 3 – Craffu sefyllfa'r gyllideb (refeniw a chyfalaf) ar gyfer gwasanaethau a ddaw o fewn cylch gorchwyl y pwyllgor.	23 - 78
6.	Blaenraglen Gwaith a Rhestr Weithredu y Pwyllgor Craffu Perfformiad a Throsolwg.	79 - 84
7.	Cynllunydd Gwaith y Cyngor a'r Cabinet.	85 - 86
8.	Cadarnhau cofnodion y cyfarfod blaenorol	
8.1.	Pwyllgor Craffu Trosolwg a Pherfformiad dyddiedig 19 Tachwedd 2024.	87 - 94
8.2.	Cyfarfod Arbennig – Pwyllgor Craffu Perfformiad a Throsolwg dyddiedig 3 Rhagfyr 2024.	95 - 102
9.	Cyfarfod Nesaf: Dydd Mawrth 11 Mawrth 2025 am 10.00am.	

**Paul Matthews**  
Prif Weithredwr

MONMOUTHSHIRE COUNTY COUNCIL  
CYNGOR SIR FYNWY

MAE CYFANSODDIAD Y PWYLLGOR FEL A GANLYN:

County Councillor Jill Bond, West End;, Welsh Labour/Llafur Cymru  
County Councillor Rachel Buckler, Devauden;, Welsh Conservative Party  
County Councillor John Crook, Magor East with Undy;, Welsh Labour/Llafur Cymru  
County Councillor Steven Garratt, Overmonnow;, Welsh Labour/Llafur Cymru  
County Councillor Meirion Howells, Llanbadoc & Usk;, Independent  
County Councillor Alistair Neill, Gobion Fawr;, Welsh Conservative Party  
County Councillor Martin Newell, Town;, Welsh Conservative Party  
County Councillor Paul Pavia, Mount Pleasant;, Welsh Conservative Party  
County Councillor Peter Strong, Rogiet;, Welsh Labour/Llafur Cymru

## Gwybodaeth I'r Cyhoedd

### **Mynediad i gopiâu 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

i ddod yn sir ddi-garbon, gan gefnogi lles, iechyd ac urddas i bawb ar bob cam o'u bywydau.

Amcanion rydym yn gweithio tuag atynt

- Lle teg i fyw lle mae effeithiau anghydraddoldeb a thlodi wedi'u lleihau;
- Lle gwyrdd i fyw a gweithio gyda llai o allyriadau carbon a gwneud cyfraniad cadarnhaol at fynd i'r afael â'r argyfwng yn yr hinsawdd a natur;
- Lle ffyniannus ac uchelgeisiol, lle mae canol trefi bywiog a lle gall busnesau dyfu a datblygu;
- Lle diogel i fyw lle mae gan bobl gartref maen nhw'n teimlo'n ddiogel ynddo;
- Lle cysylltiedig lle mae pobl yn teimlo'n rhan o gymuned ac yn cael eu gwerthfawrogi;
- Lle dysgu lle mae pawb yn cael cyfle i gyrraedd eu potensial.

### 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.
- **Caredigrwydd** – Byddwn yn dangos caredigrwydd i bawb yr ydym yn gweithio gyda nhw, gan roi pwysigrwydd perthnasoedd a'r cysylltiadau sydd gennym â'n gilydd wrth wraidd pob rhyngweithio.

## Canllaw Cwestiynau Craffu Sir Fynwy

1. Pam mae'r Pwyllgor yn craffu ar hyn? (cefndir, materion allweddol)
2. Beth yw rôl y Pwyllgor a pha ganlyniad mae'r Aelodau am ei gyflawni?
3. A oes digon o wybodaeth i gyflawni hyn? Os nad oes, pwy allai ddarparu hyn?
  - Cytuno ar y drefn holi a pha Aelodau fydd yn arwain
  - Cytuno ar gwestiynau i swyddogion a chwestiynau i Aelod y Cabinet

### Cwestiynau'r Cyfarfod

### Craffu ar Berfformiad

1. Sut mae perfformiad yn cymharu â'r blynyddoedd blaenorol? Ydy e'n well/yn waeth? Pam?
2. Sut mae perfformiad yn cymharu â chynghorau eraill/darparwyr gwasanaethau eraill? Ydy e'n well/yn waeth? Pam?
3. Sut mae perfformiad yn cymharu â thargedau gosodedig? Ydy e'n well/yn waeth? Pam?
4. Sut cafodd targedau perfformiad eu gosod? Ydyn nhw'n ddigon heriol/realistig?
5. Sut mae defnyddwyr gwasanaethau/y cyhoedd/partneriaid yn gweld perfformiad y gwasanaeth?
6. A fu unrhyw awdid ac archwiliadau diweddar? Beth oedd y canfyddiadau?
7. Sut mae'r gwasanaeth yn cyfrannu at wireddu amcanion corfforaethol?
8. A yw gwelliant/dirywiad mewn perfformiad yn gysylltiedig i gynnydd/ostyngiad mewn adnodd?  
Pa gapasiti sydd yna i wella?

### Craffu ar Bolisi

1. Ar bwy mae'r polisi yn effeithio ~ yn uniongyrchol ac yn anuniongyrchol? Pwy fydd yn elwa fwyaf/leiaf?
2. Beth yw barn defnyddwyr gwasanaeth /rhanddeiliaid? Pa ymgynghoriad gafodd ei gyflawni? A wnaeth y broses ymgynghori gydymffurfio ag Egwyddorion Gunning? A yw rhanddeiliaid yn credu y bydd yn sicrhau'r canlyniad a ddymunir?
3. Beth yw barn y gymuned gyfan – safbwynt y 'trethdalwr'?
4. Pa ddulliau a ddefnyddiwyd i ymgynghori â'r rhanddeiliaid? A oedd y broses yn galluogi pawb â chyfran i ddweud eu dweud?
5. Pa ymarfer ac opsiynau sydd wedi eu hystyried wrth ddatblygu/adolygu'r polisi hwn? Pa dystiolaeth sydd i hysbysu beth sy'n gweithio? A yw'r polisi yn ymwneud â maes lle mae diffyg ymchwil cyhoeddedig neu dystiolaeth arall?
6. A yw'r polisi'n ymwneud â maes lle ceir anghydraddoldebau hysbys?
7. A yw'r polisi hwn yn cyd-fynd â'n hamcanion corfforaethol, fel y'u diffinnir yn ein cynllun corfforaethol? A yw'n cadw at ein Safonau Iaith Gymraeg?
8. A gafodd yr holl ddatblygu cynaliadwy, y goblygiadau cydraddoldeb a diogelu perthnasol eu hystyried?

	<p>Er enghraifft, beth yw'r gweithdrefnau sydd angen bod ar waith i amddiffyn plant?</p> <p>9. Faint fydd y gost hon i'w gweithredu a pha ffynhonnell ariannu sydd wedi'i nodi?</p> <p>10. Sut fydd perfformiad y polisi yn cael ei weithredu a'r effaith yn cael ei gwerthuso?</p>
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## Cwestiynau Cyffredinol:

### Grymuso Cymunedau

- Sut ydym ni'n cynnwys cymunedau lleol a'u grymuso i ddylunio a darparu gwasanaethau i gyd-fynd ag angen lleol?
- A ydym ni'n cael trafodaethau rheolaidd gyda chymunedau am flaenoriaethau'r gwasanaeth a pha lefel o wasanaeth y gall y cyngor fforddio ei ddarparu yn y dyfodol?
- A yw'r gwasanaeth yn gweithio gyda dinasyddion i egluro rôl gwahanol bartneriaid wrth ddarparu gwasanaeth a rheoli disgwyliadau?
- A oes fframwaith a phroses gymesur ar waith ar gyfer asesu perfformiad ar y cyd, gan gynnwys o safbwynt dinesydd, ac a oes gennych chi drefniadau atebolrwydd i gefnogi hyn?
- A oes Asesiad Effaith Cydraddoldeb wedi'i gynnal? Os felly a all yr Arweinydd a'r Cabinet /Uwch Swyddogion roi copïau i'r Aelodau ac eglurhad manwl o'r Asesiad o'r Effaith ar Gydraddoldeb (EQIA) a gynhaliwyd mewn perthynas â'r cynigion hyn?
- A all yr Arweinydd a'r Cabinet/Uwch Swyddogion sicrhau aelodau bod y cynigion hyn yn cydymffurfio â deddfwriaeth Cydraddoldeb a Hawliau Dynol? A yw'r cynigion yn cydymffurfio â Chynllun Cydraddoldeb Strategol yr Awdurdod Lleol?

### Galwadau'r Gwasanaeth

- Sut fydd newid polisi a deddfwriaeth yn effeithio ar y ffordd mae'r cyngor yn gweithredu?
- A ydym ni wedi ystyried demograffeg ein cyngor a sut bydd hyn yn effeithio ar ddarparu gwasanaethau a chyllid yn y dyfodol?
- A ydych chi wedi adnabod ac ystyried y tueddiadau tymor hir a allai effeithio ar eich maes gwasanaeth, pa effaith allai'r tueddiadau hyn ei chael ar eich gwasanaeth/allai eich gwasanaeth ei gael ar y tueddiadau hyn, a beth sy'n cael ei wneud mewn ymateb?

### Cynllunio Ariannol

- A oes gennym ni gynlluniau ariannol canolig a hirdymor cadarn yn eu lle?
- A ydym ni'n cysylltu cyllidebau â chynlluniau a chanlyniadau ac adrodd yn effeithiol ar y rhain?

### Gwneud arbedion a chynhyrchu incwm

- A oes gennym ni'r strwythurau cywir ar waith i sicrhau bod ein dulliau effeithlonrwydd, gwelliant a thrawsnewid yn gweithio gyda'i gilydd i sicrhau'r arbedion mwyaf posibl?
- Sut ydym ni'n gwneud y mwyaf o incwm? A ydym ni wedi cymharu polisïau eraill y cyngor

i sicrhau'r incwm mwyaf posibl ac wedi ystyried yn llawn y goblygiadau ar ddefnyddwyr gwasanaeth?

- A oes gennym ni gynllun gweithlu sy'n ystyried capasiti, costau, a sgiliau'r gweithlu gwirioneddol yn erbyn y gweithlu a ddymunir?

Cwestiynau i'w gofyn o fewn blwyddyn i'r penderfyniad:

- A gafodd canlyniadau arfaethedig y cynnig eu cyflawni neu a oedd canlyniadau eraill?
- A oedd yr effeithiau wedi'u cyfyngu i'r grŵp yr oeddech chi ar y dechrau yn meddwl fyddai wedi cael ei effeithio h.y. pobl hŷn, neu a gafodd eraill eu heffeithio e.e. pobl ag anabledau, rhieni â phlant ifanc?
- A yw'r penderfyniad yn dal i fod y penderfyniad cywir neu a oes angen gwneud addasiadau?

## Cwestiynau i'r Pwyllgor ar ddiwedd y cyfarfod ...

A oes gennym ni'r wybodaeth angenrheidiol i ffurfio casgliadau/i wneud argymhellion i'r pwyllgor gwaith, cyngor, partneriaid eraill? Os nad oes, a oes angen i ni:

(i) Ymchwilio i'r mater yn fwy manwl?

(ii) Gael rhagor o wybodaeth gan dystion eraill - Aelod o'r Bwrdd Gweithredol, arbenigwr annibynnol, aelodau o'r gymuned, defnyddwyr gwasanaeth, cyrff rheoleiddio...

Cytuno ar gamau pellach sydd i'w cymryd o fewn amserlen/adroddiad monitro yn y dyfodol.





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<b>SUBJECT:</b>	<b>2025/26 DRAFT REVENUE AND CAPITAL BUDGET PROPOSALS</b>
<b>MEETING:</b>	<b>PERFORMANCE &amp; OVERVIEW SCRUTINY COMMITTEE</b>
<b>DATE:</b>	<b>11<sup>th</sup> February 2025</b>
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

## **1. PURPOSE**

- 1.1 To allow Committee scrutiny of Cabinet's draft revenue and capital budget proposals for the financial year 2025/26.

## **2 RECOMMENDATIONS TO PERFORMANCE AND OVERVIEW SCRUTINY COMMITTEE**

- 2.1 That the draft revenue and capital budget proposals for 2025/26 are considered as part of the Committee's role to conduct robust financial monitoring and to scrutinise the Council's performance in delivering the corporate objectives outlined in its Community and Corporate Plan.
- 2.2 That Committee relay any resultant observations and recommendations back to the executive (Cabinet), to inform the wider ongoing budget consultation process.

## **3 KEY ISSUES**

- 3.1 Cabinet's draft budget proposals are available for formal public consultation and member scrutiny, including the requirement to consult businesses. The formal consultation period will run for a period of four weeks ending on 22nd February 2025.
- 3.2 Cabinet are interested in consultation views on the draft proposals and the underlying budget strategy adopted. This is the opportunity for Members, the public, community groups, and other key stakeholders (e.g. town and community councils) to consider the budget proposals and make comments on them. Cabinet will not however, be prepared to recommend anything to Council that has not been subject to a Future Generations Assessment and Equality Impact Assessment, and therefore a deadline to receive alternative proposals has been set as 22nd February 2025.

- 3.3 Given the broad range of the budget proposals, it is important that the Council reaches out, engages and listens to feedback. This will in turn inform the final budget proposals that are to be considered in March.
- 3.4 Final budget proposals following consultation and receipt of the final settlement will go to the Cabinet meeting on 5th March 2025 and approval of Council Tax and final budget proposals will take place at full Council on 6th March 2025.

**APPENDICES:**

Appendix 1	2025/26 Budget consultation presentation
Appendix 2	Cabinet meeting 22nd January 2025 – <a href="#">2025/26 Draft Budget papers</a>

**BACKGROUND PAPERS**

[List of full Future Generations Evaluations](#)

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# Y GYLLIDEB BUDGET 25/26

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monmouthshire  
sir fynwy

**Welsh Government's provisional funding settlement represents a very different approach to the funding of local services by both UK and Welsh Government and is an important first step in recognising the increased demands on Council services**

- Monmouthshire will receive an increase of 2.6% in core revenue grant in 2025/26. In cash terms, after allowing for transfers of specific grants in/out of core funding and for tax base adjustments, this equates to an additional £5.1m in funding
- Whilst this is a significantly better position than was anticipated following the previous UK Government budget, there remain difficult local budget choices. The increase in grant funding does not cover the cost and demand for all the services we provide in their current form. Total cost pressures being accommodated in this draft budget total £23.7m
- Constructive discussions will continue with Welsh Government about the necessity for a minimum funding floor to be added to the final settlement. It is not expected that any such floor will cover in full the remaining budget gap of £2.86m

## Key frontline services will see increases in funding with Social care & health increasing by 10.6% and for Education by 10.7%

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- *An additional £1m investment in school budgets to restore attendance levels and standards. This investment is above meeting in full all pay and pension related pressures in schools*
- There will continue to be a focus on tackling inequalities and to protect the most vulnerable in our society:
  - Support for additional learning needs provision will increase
  - Investment in specialist resource bases for children and young people helping them stay in their local schools
- Investing in our Foster carer service to retain and recruit valued carers and to recognise their essential skills, patience, time, and the resources that it takes to support some of the most vulnerable children in our County
- The services that are available to residents this year will be available in 2025/26. Waste collections will remain the same. Leisure centres, recycling centres, libraries and community hubs are all remaining open
- Total additional capital investment of £2.3m will be made within some of our key infrastructure, predominantly around Highways structures, carriageways, footpaths, public rights of way, and our property estate
- Protecting our local environment and nature with increased investment in Flood alleviation measures, and continuing to review our property estate and energy usage to reduce our carbon footprint

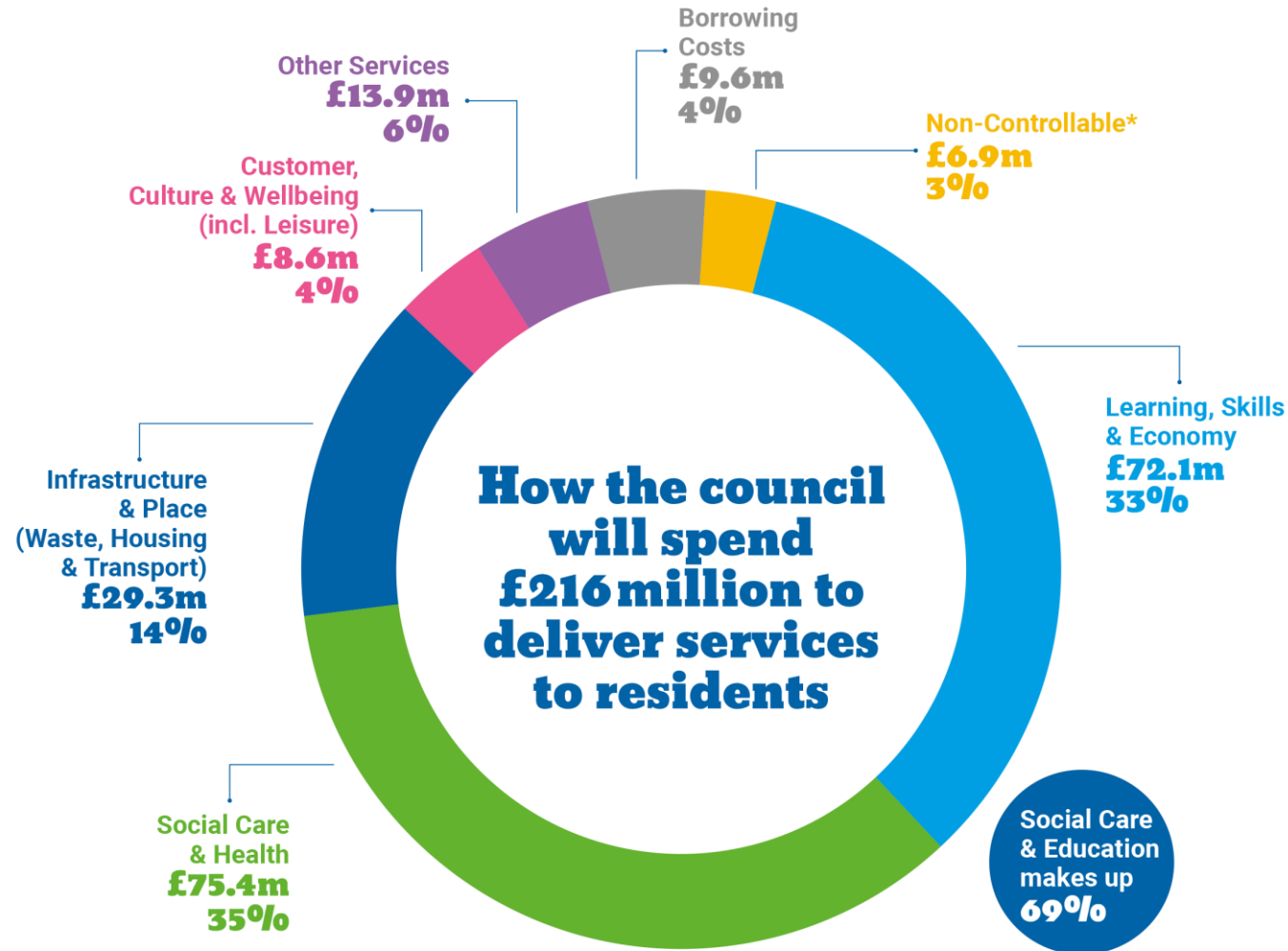
## To partly fund the increased investment in key services noted above, we are intending to change the way some things operate and increase our income

- The draft budget includes £5.1m of service savings and efficiencies. Our residents will rightly expect us to reduce our costs wherever possible and to ensure we are operating as efficiently and effectively as we can
- We plan to increase income through an indicative increase in council tax of 7.8% and through specific charging for on-demand services to cope with the increased demand and cost of our services
- A cumulative impact assessment has been produced for the draft proposals which enables us to assess the overall potential impact of the budget on residents within our communities, and where any negative impact can possibly be mitigated



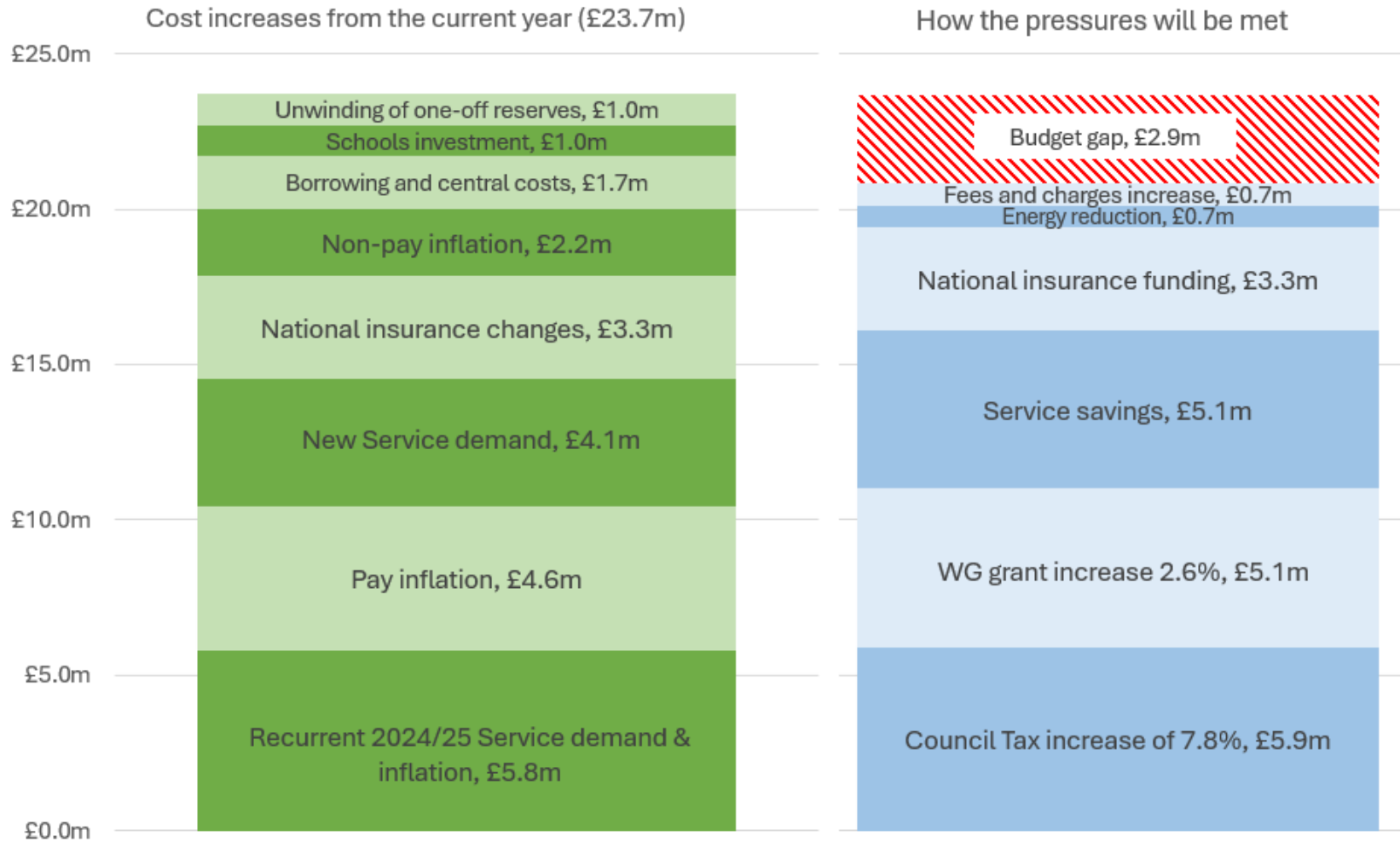


# What we will spend to deliver services



\*Levies paid to other organisations such as the Fire Service, National Parks, and Drainage Boards.

# What it costs to deliver services



# £10.9m of additional service cost pressures and targeted investment

- Social care demand and inflation (£6.8m)
- Foster carer allowances (£0.3m)
- Investment in schools (£1m)
- Children with additional learning needs (£0.7m)
- Specialist education resource bases (£0.3m)
- School transport (£0.6m)
- Transport and fleet (£0.2m)
- MonLife income shortfalls (£0.2m)

# The balance therefore to be struck...

- The cost of delivering our existing services increases next year by £23.7m
- Income increases of £15.0m (Government Grants, National insurance funding, Council Tax, and Charges)
- Energy costs will reduce by £0.7m
- Revenue reserves not available to support budget
- The balance £8.0m will be partially met by service savings proposals of £5.1m
- This leaves a budget gap of £2.86m which will need to be resolved in full by the time that the final budget is set by Council in March 2025.



# £5.1m of savings proposals – a summary

Overall increase in our learning, skills & economy budget by 10.7% next year, with savings identified as follows:

<b>Monmouthshire Specialist Teachers team</b>	£40,000	A 0.6FTE specialist teaching post that has become vacant due to a retirement in the service will not be replaced within the structure.
<b>Education Welfare grant</b>	£51,000	An increase in grant funding will allow core staffing costs to be funded
<b>Additional learning needs</b>	£100,000	To bring MCC pupils with ALN currently educated outside of Monmouthshire in maintained and independent specialist placements back into MCC provision at key points of transition.
<b>Capitalisation direction</b>	£350,000	To fund the transformational costs of integrating changes to the Specialist resource bases, and to the Digital roll out in Schools from capital receipts.
<b>School maintenance costs</b>	£40,000	A reduction in maintenance costs at the new King Henry school as warranties remain in place during the initial phases of opening.

# £5.1m of savings proposals – a summary

Overall increase in our Social Care budget by 10.6% next year, with savings identified as follows:

<b>Adult social care</b>	£375,000	£250,000 - Continuation of the practice change agenda £125,000 - A staffing review to consolidate existing vacancies within our home care teams.
<b>Children's services</b>	£1,887,000	Continuation of the placement and practice change - reviewing children's care plans in high-cost placements and developing appropriate services and placements to support their long-term needs.
<b>Community meals</b>	£15,000	A part time staff vacancy that the service will release.
<b>Social care Health – Fees and charges</b>	£366,000	A range of increases across Adult social care, Public health, Trading standards, and registrars.
<b>Public protection</b>	£100,000	Removal of Head of Public Protection post with review of longer-term arrangements for ensuring leadership of this key area of the Council's services. Interim arrangements in place allow for the saving to be made in 2025/26.

# £5.1m of savings proposals – a summary

Overall increase in our Infrastructure & Place budget by 9.7% next year, with savings identified as follows:

<b>Fees and charges</b>	£321,000	Planning application fees (£100k), Car parking fee increase by 10% (£180k), Building Control Application fees (32k), Home to school discretionary (£6k), Introduce an annual membership fee of £10 for Grass routes users (£3k)
<b>Home to School transport</b>	£447,000	Reversion to statutory distances of 2 miles for primary and 3 miles for secondary
<b>Management costs</b>	£170,000	Savings in senior management costs from a restructure exercise
<b>Homelessness</b>	£557,000	Savings driven from the reduction of B&B usage and utilising Severn View
<b>Grants &amp; Recoupment</b>	£117,000	An increase in income from grant or recoupment in Building cleaning, Youth Enterprise, and Highways external works.
<b>Fleet</b>	£20,000	Reduce gritter fleet by extending the working hours of each vehicle.
<b>Energy audit</b>	£20,000	Undertake energy audit to identify discrepancies and potential savings



# £5.1m of savings proposals – a summary

Overall increase in our Customer, Culture and Wellbeing (MonLife) budget by 3.7% next year, with savings identified as follows:

<b>Borough Theatre</b>	£50,000	Service Redesign and optimisation of space
<b>Community Hubs</b>	£110,000	Realigning opening hours at our four hubs to ensure consistency and availability throughout the county
<b>Youth service</b>	£40,000	A more sustainable operating model by making changes to our youth clubs in the rural parts of Monmouthshire and retaining the youth centre provision in the four main towns
<b>Leisure income</b>	£150,000	Increase income across the four Leisure Centres
<b>Old station Tintern</b>	£30,000	Review Operating Model for Old Station Tintern. Including consideration of in house delivery model, lease or sale. Normal delivery will take place during the 2025 season.
<b>Markets</b>	£20,000	A review of existing contracts for Waste collection
<b>Management structure</b>	£38,000	Further development of the area management structure down to operational teams
<b>Rights of way &amp; Section 106</b>	£44,000	Appropriate recharge of officer time into capital schemes

# £5.1m of savings proposals – a summary

Overall increase in our People, Performance & Partnerships budget by 4.3% next year, with savings identified as follows:

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<b>Welsh Translation</b>	£82,000	To amend Welsh language translations to reduce costs in the face of rising demand, by capitalising on the potential of AI driven translation tools.
<b>Systems &amp; Payroll Automation</b>	£22,000	To deliver increased automation in the way in which staff are onboarded, following recruitment, and paid throughout their career at MCC.
<b>Workforce</b>	£8,000	Implement Apprentice First approach
<b>Subscriptions</b>	£15,000	A reduction in subscription fees following review

# £5.1m of savings proposals – a summary

Overall increase in our Resources budget by 1.9% next year, with savings identified as follows:

<b>Insurance</b>	£98,000	Cease our Cyber Security Insurance provision
<b>ICT - Digital, Design &amp; Innovation</b>	£64,000	Management restructure which removes a head of service post
<b>Administration support</b>	£23,000	Reduction in Chief officer admin Support (0.6 FTE)

## A planned increase in Council Tax of 7.8%

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<b>Band s</b>	<b>Current 2024/25</b>	<b>7.8% increase</b>	<b>Proposed 2025/26 Charge</b>	<b>Increase per month</b>	<b>Increase per week</b>
<b>A</b>	£ 1,124.47	£ 87.71	£ 1,212.18	£ 7.31	£ 1.69
<b>B</b>	£ 1,311.88	£ 102.33	£ 1,414.21	£ 8.53	£ 1.97
<b>C</b>	£ 1,499.29	£ 116.94	£ 1,616.23	£ 9.75	£ 2.25
<b>D</b>	£ 1,686.70	£ 131.56	£ 1,818.26	£ 10.96	£ 2.53
<b>E</b>	£ 2,061.52	£ 160.80	£ 2,222.32	£ 13.40	£ 3.09
<b>F</b>	£ 2,436.34	£ 190.03	£ 2,626.37	£ 15.84	£ 3.65
<b>G</b>	£ 2,811.17	£ 219.27	£ 3,030.44	£ 18.27	£ 4.22
<b>H</b>	£ 3,373.40	£ 263.13	£ 3,636.53	£ 21.93	£ 5.06
<b>I</b>	£ 3,935.63	£ 306.98	£ 4,242.61	£ 25.58	£ 5.90

- Striking the balance between council tax rises and the reduction of services that support the most vulnerable is not easy
- Provides £5.9m of much needed funds to sustain service delivery
- Vigorous help and support for low-income households

## All Local Authority budgets carry risks every year

- **Service budget savings delivery** - the level of savings will require significant service change and commitment of resources to be successfully delivered
- **Pay awards** - Actual pay awards will not be confirmed nationally by independent pay bodies until later in 2025
- **Employer's national insurance contributions** – level of cost vs allocated funding
- **Funding** – Specific grant levels

**Capital programme oversees maintenance and enhancement of our roads, schools, leisure centres, farms and much more.**

- Continued support for Council priorities in line with the community and corporate plan
- Tackling the longer-term challenges communities are facing
- Further investment of £2.3m to be made in our key infrastructure, predominantly around Highways structures, carriageways, flood alleviation, footpaths, public rights of way, and our property estate

## “Let’s Talk Monmouthshire”

- 4-week period consultation and engagement
- Face to face and virtual engagement events – Countywide and targeted
- Online survey and social media campaign
  
- **Council Scrutiny meetings** – Jan-Feb 2025
- **Final Budget Cabinet** – 5<sup>th</sup> March 2025
- **Council tax setting and budget** – 6<sup>th</sup> March 2025



**ANY  
QUESTIONS?**



**SUBJECT: 2024/25 REVENUE BUDGET – FINANCIAL UPDATE**  
**MEETING: PERFORMANCE & OVERVIEW SCRUTINY COMMITTEE**  
**DATE: 11th February 2025**  
**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

- 1.1 To provide Cabinet with an update of the progress against the Councils revenue budget for the 2024/25 financial year.

**RECOMMENDATIONS TO PERFORMANCE AND OVERVIEW SCRUTINY COMMITTEE**

- i. That the Performance and Overview Scrutiny Committee scrutinise the revenue budget forecast for the 2024/25 financial year;
- ii. That the Committee as part of their role assesses whether effective budget monitoring is in place; the extent to which budgets are spent within the agreed budget and policy framework, including the reasonableness of the explanation for variances and; consider the achievement of progress in meeting budget savings targets.

**2. RECOMMENDATIONS (to Cabinet):**

- 3.1 That Cabinet note the forecast revenue budget deficit of £1,593,000 (0.7% of total budget) which is a significant improvement of £2,760,000 since the previous update.
- 3.2 That Cabinet requires budget recovery action to continue for the remainder of the year to ensure all services to bear down on avoidable cost and identify further income opportunities wherever possible in order to bring the budget back to a balanced position.
- 3.3 That Cabinet note a forecast 78.3% delivery of the £10,940,000 budgeted service savings required for the year. This results in a shortfall in savings of £2,376,000 that is included in the above deficit.

- 3.4 That Cabinet note that funding to meet the increase in the rate of the employers contribution to the teacher's pension scheme has been fully received since the previous financial update, and that this no longer represents a budget risk.
- 3.5 That Cabinet note the budgetary risks that are inbuilt into the forecast, namely;
- The volatility of demand for high-cost services, particularly within Adults & Children's Social Care and in Additional learning needs;
  - The potential impact upon the Council's financial resilience from the forecast increase in the cumulative schools reserves deficit that is being carried on the Council's balance sheet;
  - The risk of further non-delivery of the £10,940,000 of budgeted savings targets;
  - The trend of reducing debt recovery, particularly within Council tax where there is a significant increase in the number of discounts and exemptions awarded, and a slowing down in collection rates;
  - The limited reserve cover available to the Council.
- 3.6 That Cabinet note the forecast increase in the deficit on cumulative schools reserves as outlined in **Appendix 3** of this report of £5,240,000. This would result in school balances ending the financial year in a deficit of £6,144,000, with twenty-four (69%) of thirty-five schools forecast to be in a deficit balance.
- 3.7 That Cabinet note that schools which are forecasting to end the 2024/25 financial year in a deficit balance have brought forward recovery plans outlining the proposed actions to address their budget shortfalls, however the current budget circumstances indicate that it will take schools a considerable amount of time to fully recover deficit balances.
- 3.8 That Cabinet note a forecast Capital budget underspend of £243,000, alongside an indication of slippage in capital schemes of £13,199,000.

## 4 KEY ISSUES:

### Context

- 4.1 The 2024/25 financial year has seen the continuation of financial headwinds which are impacting upon the Council's service operating environment:

- The wider socio-economic landscape and cost of living challenges continue to have an impact on our communities, with a consequential increase in demand for Council services, and impact upon income generating services. This particularly impacts the service areas of Children’s Social care, Adult social care, Homelessness, and Children’s additional learning needs.
- Wider public sector challenges continue to impact upon Council services, notably within Health where efforts to improve patient pathways impact upon the level and complexity of demand for Social care;
- Whilst headline inflation has fallen, some discrete areas of Council services continue to experience cost pressures on supplies and services, alongside supply chain issues.
- In continuing efforts to combat inflation, interest rates have remained high, with revised forecasts suggesting that they will remain higher for longer than anticipated at the time of setting the budget;
- The Council continues to deal with a shortage of staff resources in some areas;

4.2 In December 2024, Cabinet received a financial update reporting a forecast budget deficit of £4,353,000 alongside budget recovery action of just over £1 million, that if delivered successfully would reduce the deficit to £3,334,000.

4.3 The updated forecast budget deficit now stands at £1,593,000 and is reflective of favourable movements within the majority of service budget areas, reflective of successful budget recovery action and additional grant income received at the end of the 2024 calendar year.

### Current revenue budget forecast position

**Table 1: Revenue budget forecast summary**

Directorate	In-year budget Pressures / (Savings) £000's	Shortfall in saving target £000's	Total budget deficit / (surplus) forecast £000's	% Variance to budget
Social Care & Health	2,840	1,371	4,211	6.2%
Learning, Skills and Economy	(88)	360	272	0.4%
Infrastructure & Place	211	460	671	2.5%
Customer, Culture and Wellbeing	(454)	118	(336)	-4.1%
People, Performance and Partnerships	(6)	0	(6)	-0.2%
Law & Governance	2	0	2	0.1%
Resources	(497)	67	(430)	-4.9%

Corporate, Treasury & Financing	(2,789)	0	(2,789)	-7.5%
<b>Forecast budget deficit</b>	<b>(782)</b>	<b>2,376</b>	<b>1,593</b>	<b>0.7%</b>

- 4.4 The overall deficit is primarily due to a forecast shortfall in meeting required budgeted savings targets of £2,376,000, alongside significant in-year budget pressures of £2,840,000 within Social Care that have developed since the budget was set in February 2024.
- 4.5 These have been significantly offset by favourable positions within some of our income generating services, and in savings in capital financing costs.
- 4.6 In December 2024 Welsh Government notified of additional grant funding of £1.3m to manage Local Government pay pressures which has significantly improved the overall forecast. This funding has been reflected within the Corporate, Treasury, and Financing section above given the timing of receipt, and the non-specific nature of the funding.

4.7 **Appendix 1** to this report outlines the service variances in detail. At a summary level these primarily relate to the following areas:

Service	(Surplus) / Deficit £000's	Summary
Adults care services	2,040	<ul style="list-style-type: none"> <li>• <b>Improvement of £464k.</b></li> <li>• External residential care home placements have increased by 30 since the budget was set, causing £620K of cost pressures.</li> <li>• A shortfall of £1.25m against budgeted savings targets is currently forecast.</li> <li>• Domiciliary care demand increased significantly in July and August, at an additional cost of £500k. Whilst no further sustained increase in demand has been seen, the usual cycle of winter pressures are yet to conclude.</li> <li>• Improvement is due to the under spend in the Care at Home service from staff vacancies whilst the reablement project is underway (re-design the workforce).</li> </ul>
Children's care services	2,468	<ul style="list-style-type: none"> <li>• <b>Deterioration of £932k.</b></li> <li>• At the end of December, although the numbers of children being looked after has remained stable, the degree of change and movement in placements has continued to impact costs. This has included one high cost residential placement, a further 6 parent and child placements and extensions to 2 others, which has increased the over spend.</li> </ul>

Additional learning needs	348	<ul style="list-style-type: none"> <li>• <b>Improvement of £266k.</b></li> <li>• An improvement in the net overall cost of ALN independent placements of £117k due to movements in placements; alongside additional grant funding to support the service of £134k</li> </ul>
Neighbourhood Services	459	<ul style="list-style-type: none"> <li>• <b>Deterioration of £222k.</b></li> <li>• Waste &amp; Grounds Maintenance over spend of £678k– Volatility and reduced values of our recycle continues; income has been affected by the introduction of Workplace recycling regulations resulting in reduced volumes. These coupled with the volatility of end market values has resulted in an increasing pressure.</li> <li>• Offset by Highways under spend of £220k - income from external works will exceed budget; staff vacancies being held.</li> </ul>
Home to School & Passenger & transport	505	<ul style="list-style-type: none"> <li>• <b>Improvement of £77k.</b></li> <li>• Home to school - Increased demand (a 10% increase since 3 years ago) has resulted in additional contracts. A scarcity of operators in this area is resulting in contract premiums or the Council undertaking contracts ourselves.</li> <li>• Passenger transport - A reduction in grant and public service bus funding for some routes has added to overall pressures.</li> <li>• Improvement as part of overall budget recovery action to maximise income and passport qualifying costs to grant or capital.</li> </ul>
Fleet Maintenance	44	<ul style="list-style-type: none"> <li>• <b>Improvement of £64k.</b></li> <li>• Inflation, supply chain issues, vehicle hire growth and increased borrowing rates have driven operating costs over and above available budget.</li> <li>• Additional requirements for EV charging points and a new vehicle management system.</li> <li>• Improvement as part of overall budget recovery action to passport qualifying costs to grant or capital.</li> </ul>
Housing & Homelessness	150	<ul style="list-style-type: none"> <li>• <b>Improvement of £72k.</b></li> <li>• £400k shortfall in the rapid rehousing transition saving due to a delay in occupancy of new accommodation; additional damage and maintenance costs; offset by one-off grant income.</li> <li>• Improvement due to reduced impact on Housing benefit subsidy penalty.</li> </ul>
People	22	<ul style="list-style-type: none"> <li>• <b>Improvement of £53k.</b></li> <li>• People Management &amp; occupational health pressures from additional employee costs, and lower SLA income. This has been offset by staff and system cost reductions in payroll.</li> <li>• Improvement due to reducing temporary support hours and the team are covering maternity leave in-house rather than backfilling the post to contribute to the recovery effort</li> </ul>
Legal	21	<ul style="list-style-type: none"> <li>• <b>Improvement of £46k.</b> A projected shortfall in rechargeable income, and an over spend in staffing due to some regrading and temporary cover arrangements.</li> </ul>

		<ul style="list-style-type: none"> <li>Budget recovery action has resulted in improvement from holding staff vacancies and in supplies and services.</li> </ul>
Commercial & Corporate Landlord	(39)	<ul style="list-style-type: none"> <li><b>Improvement of £50k.</b></li> <li>Rental income from commercial, industrial &amp; county farms is lower than budgeted due to some staggering of rent increases, and some vacant units remaining to be filled (£181k).</li> <li>There is a shortfall of £58k in the asset rationalisation savings target due to delays in progressing some of the required changes to accommodation.</li> <li>This has been offset by staff savings and one-off income totalling £278k.</li> </ul>
Placemaking, Highways & Flooding	(223)	<ul style="list-style-type: none"> <li><b>Improvement of £113k.</b></li> <li>£140k over spend in Building control and Planning where fee income has been impacted by economic conditions resulting in reduced applications</li> <li>£60k under spend in Car Parks &amp; Civil Parking Enforcement as pay &amp; display income is currently exceeding budget, and aided by employee savings due to some vacancies.</li> <li>£170k under spend in Highways Development &amp; flooding from full and part year vacancies coupled with improved income mainly from additional Highways development fees and capital programme fees.</li> <li>£133k underspend in Schools Catering from in-year staff savings and capitalisation of qualifying IT costs.</li> </ul>
Public protection	(279)	<b>Improvement of £132k.</b> Staff vacancies, 2 posts having external funding and expected income is above budget
Enterprise management	(255)	<b>Improvement of £125k.</b> Senior staff vacancies and additional grant funding
Customer, Culture & Wellbeing	(336)	<b>Improvement of £170k.</b> Delayed implementation of the area management restructure, delayed staffing savings in museums service and reduced income at our attractions has been more than offset by increased income from our leisure services and markets following successful marketing campaigns.
Finance	(351)	<b>Improvement of £154k.</b> Continued staff savings and the ability to passport core service costs into grants
Capital financing costs	(565)	<b>Improvement of £85k.</b> Savings in interest payable due to slightly lower rates than estimated, coupled with unbudgeted recoupment of borrowing costs from services for vehicle purchases at the end of the 2023/24 financial year.
Council Tax	(617)	<ul style="list-style-type: none"> <li><b>Improvement of £267k.</b></li> <li>CTRS caseloads are running slightly below historical levels generating budget savings of £525k</li> </ul>

		<ul style="list-style-type: none"> <li>• Council tax income is expected to be £125k less than budgeted as discounts and exemptions continue to rise which have a negative impact on the overall position</li> <li>• Council Tax Premium: An additional £217k will be collected this year compared to budget and will be transferred to the Council tax premium reserve.</li> </ul>
Corporate & Central costs	(1,639)	Improvement of £1,639k. Additional Welsh Government grant funding, final pay award costs slightly below budget.
Other variances	(87)	Other smaller net variances.
<b>Total</b>	<b>1,593</b>	

### Budgeted savings targets

4.8 Services are currently forecasting a shortfall of £2,376,000 or 21.7% in meeting the service savings targets that were set as part of the original budget for 2024/25 (£2,176,000 or 19.9% at previous update). Full details can be found at **Appendix 2** to this report, however the main variances are as follows:

**Table 2: Progress against budgeted savings targets**

Savings proposals by Directorate	Budgeted Saving	Current Forecast	Variance	Percentage met	Comment
	£000	£000	£000	%	
Social Care & Health	(4,972)	(3,601)	1,371	72.4%	Adult's services - £1,268k shortfall against £3,159k target due to the complexity and level of demand for care needs restricting progress, some savings being dependent upon third party negotiation, and challenges resourcing some of the service change required. The Welsh Government review of the legal non-residential weekly charge cap is not currently being progressed and £375k of savings will therefore not be generated. Children's service placement and practice changes are forecast to deliver £103k less than anticipated due to changes in the complexity of demand.
Learning, Skills and Economy	(3,172)	(2,812)	360	88.7%	ALN placements - Unexpected increase in new starters at Independent Schools, and additional support for existing pupils

Infrastructure & Place	(927)	(467)	460	50.4%	£400k delay in savings relating to rapid rehousing transition as occupancy of new accommodation has been pushed back. £50k shortfall in planning income saving target as early indications show lower levels of activity than expected.
Customer, Culture and Wellbeing	(1,079)	(961)	118	89.1%	A delay in progressing some staff restructuring means that savings will not be fully met in year
People, Performance and Partnerships	(86)	(86)	0	100.0%	To be fully met
People & Governance	(33)	(33)	0	100.0%	To be fully met
Resources	(595)	(528)	67	88.7%	Increased rental income is currently below targets following some staggering of rent increases, and some vacant units remaining to be filled
Corporate Costs & Levies	(77)	(77)	0	100.0%	To be fully met
<b>Totals</b>	<b>(10,940)</b>	<b>(8,565)</b>	<b>2,376</b>	<b>78.3%</b>	

### Budget recovery action

- 4.9 The budget planning framework for 2024/25 was clear that there is a need to progress the Council on a path towards financial sustainability including conserving an appropriate and prudent level of financial resilience, of which the Council's reserves are a key component. As a consequence, the final revenue budget proposals for 2024/25 did not include any use of reserves to meet recurrent revenue expenditure.
- 4.10 The delivery of a balanced budget position for 2024/25, alongside substantial budget recovery action within schools remains fundamental in maintaining financial stability and limiting any further impact upon the Council's reserves.
- 4.11 This third financial update for the year represents a move on a positive trajectory towards delivering a balanced year-end budget position. The actions of services to engage in budget recovery action and to maintain financial discipline is positive and is to be commended. It is



essential that this path continues through to year-end and that all possible opportunities to mitigate further cost and maximise income are taken.

- 4.12 The ongoing financial position of the Social Care & Health directorate remains the key risk within this forecast. The level and complexity of demand for both Adult's and Children's care continues to trend upwards and is outstripping the progress being made in the preventative agenda and through placement and practice change. The ongoing programme of reviewing existing Adults care provision remains challenging because of the pressure of managing new referrals and assessments. Equally, as the NHS re-trench around their own cost pressures, there has been little progress in successfully pursuing Continuing Health Care costs.
- 4.13 The positive Autumn budget statement delivered by the Chancellor resulted in significant support for the Welsh Government budget and consequently further funding being made available to Councils to support in-year budgetary pressures. Continuing representations for further funding will be made to Welsh Government, both directly through the WLGA and via other Council networks that aims to recognise the unsustainable pressures upon Social care within the Local Government sector in Wales.
- 4.14 Given the significance of the adverse Social Care & Health budget position, and the impact this has on the Council's overall financial position, it is essential that this service maintains financial discipline and mitigates further cost wherever possible, despite the challenging operating environment. This will include continuing to deliver upon the placement and practice change and reform that was fundamental within the services agreed budget savings.
- 4.15 Despite the overall improvement in budget deficit since the previous update, there remains a significant task to close out the remaining deficit of £1,593,000 to end the year in a balanced position. It therefore remains essential that all Council services maintain the current financial discipline and continue to engage in mitigation measures including:
- Maximising all grant and income opportunities, including the transfer of core costs into grant where conditions allow;
  - Vacancy management with a targeted freeze on filling vacant posts;
  - Bearing down on all non-essential expenditure;
  - Service reduction and efficiency;
  - Maximising the opportunity to meet the costs of organisational reform from capital receipts where regulations allow;
  - A review of the capital budget with a view to repurposing budgets or pausing some capital investment.

## School budgets and reserves

4.16 The overall level of school reserves are currently forecast to move further into deficit by £5,240,000 by the end of the 2024/25 financial year, to an overall deficit balance of £6,144,000. This is a deterioration of £353,000 since the previous update and is of disappointment given the need for collective financial discipline to stem the burden on the Council's reserve.

School reserve balances at 31 <sup>st</sup> March (Surplus) / Deficit	2022 £000	2023 £000	2024 £000	2025 (Forecast) £000
Comprehensive schools	(2,253)	(1,259)	976	2,306
Middle schools	0	0	329	1,385
Primary schools	(4,622)	(3,027)	(1,142)	823
Special schools	(79)	31	742	1,630
<b>Total</b>	<b>(6,955)</b>	<b>(4,255)</b>	<b>905</b>	<b>6,144</b>

4.17 Demands within the school environment remain particularly challenging, notably in respect of attendance, behaviours and increased additional learning needs. This has required increased staff and specialist resources to tackle the issues presenting and increased overall costs of provision. Higher than budgeted pay awards for both teaching and non-teaching staff have also impacted upon budgets.

4.18 It is currently anticipated that twenty-four (69%) of the Council's thirty-five schools will be in a deficit balance by the year-end. Those schools forecasting to end the 2024/25 financial year in deficit balance have brought forward recovery plans that are being considered by officers and Cabinet. It is clear from these budget recovery plans that it will take schools a considerable amount of time to fully recover deficit balances, and the Council will need to take assessment of this financial risk within medium term financial planning.

4.19 Close monitoring and support will continue to be given to these schools, as well as those at risk of entering a deficit position over the medium term, to ensure that the proposed actions to address the budget challenges are instigated.

## Remaining budgetary risks

4.20 There remain key specific budgetary risks that have the ability to further impact upon the revenue budget during 2024/25:

- **Increasing demand for services** – particularly around Social care through the winter period, and with pressure on the NHS to improve patient pathways and the consequential impact on discharge into social care settings.

- **Further non-delivery of budget savings**, especially where these involve income generation, changes to structures, alternative delivery models or those involving community or other partners.
- The trend of **reducing debt recovery**, particularly within Council tax where there is a significant increase in the number of discounts and exemptions awarded which has a negative impact on overall income. There is also a slowing down in collection rates as households continue to struggle with the cost of living crisis. Social services debt recovery remains challenging and is being monitored closely.
- **Schools reserve balances** – a further in-year deficit will significantly increase the cumulative reserve deficit that is being carried on the Council's balance sheet. This consequently impacts upon the Council's overall financial resilience and increases its risk exposure by reducing available balance sheet resources.

### Financial implications and future focus

- 4.21 The continuing financial headwinds, increasing demand for services, funding uncertainty, and the need for £10.94m of service savings to be delivered within a challenging operating environment present tangible ongoing budget risks for the remainder of the year.
- 4.22 When this is considered alongside a challenging and uncertain funding outlook over the medium term, and coupled with limited levels of reserves, it presents a significant challenge to the financial resilience of the Council. There therefore remains a requirement for all services to bear down on avoidable cost and identify further income opportunities wherever possible for the remainder of the year.
- 4.23 A targeted vacancy freeze continues, and enhanced financial monitoring arrangements remain in place. The Financial Management Board arrangements continue to focus on high budget risk areas and in regularly assessing the progress being made against budgeted service savings, as well as additional budget recovery action.
- 4.24 As we move towards the financial year-end, work will continue to deliver on the structured approach to tackling the underlying budget pressures, with particular importance assigned to tackling costs which have the ability to be recurrent for 2025/26 and beyond.
- 4.25 Further funding clarification will be sought, and this remains vital in being able to manage significant upward trends in the demand for Council services, but also in being able to adequately plan for service delivery over the medium term with a reduced emphasis on more costly short-term reactive solutions.

## 5 RESOURCE IMPLICATIONS:

5.1 The report itself covers the resource implications of the entirety of the revenue budget activity during the year. There are no further resource implications as a result of the recommendations in this report.

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

6.1 This report provides Members with an update on the progress being made against the revenue budget of the Authority and carries no decisions. There are therefore no equality and future generations' implications directly arising from this report.

**CONSULTEES:**

Senior Leadership Team  
Cabinet

**BACKGROUND PAPERS:**

**Appendix 1** – Detailed service commentaries  
**Appendix 2** – Progress against budgeted savings  
**Appendix 3** – Individual school balance forecasts

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<a href="#">Section 1</a>	Revenue budget summary forecast
<a href="#">Section 2</a>	Detailed service commentary
<a href="#">Section 3</a>	School balances update
<a href="#">Section 4</a>	Capital programme update

**Section 1 - Overall Revenue Position (Update 3)**

**Table 1: 2024/25 Revenue budget forecast by directorate**

Service Area	Original Budget 2024/25	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ Update 3	Forecast (Under) / Over Spend @ Update 2	Variance
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Social Care, Health & Safeguarding	68,410	(214)	68,196	72,407	4,211	3,897	314
Learning, Skills and Economy	65,152	(34)	65,118	65,390	272	524	(252)
Infrastructure & Place	26,187	126	26,313	26,983	671	955	(284)
Customer, Culture and Wellbeing	8,304	(99)	8,205	7,869	(336)	(165)	(170)
People, Performance and Partnerships	3,288	(29)	3,259	3,253	(6)	94	(100)
Law & Governance	2,894	(19)	2,875	2,877	2	48	(46)
Resources	8,891	(49)	8,842	8,412	(430)	(201)	(230)
Corporate Costs & Levies	29,476	287	29,763	28,156	(1,607)	32	(1,639)
<b>Net Cost of Services</b>	<b>212,603</b>	<b>(32)</b>	<b>212,571</b>	<b>215,347</b>	<b>2,776</b>	<b>5,183</b>	<b>(2,407)</b>
Appropriations	7,301	32	7,333	6,768	(565)	(480)	(85)
<b>Expenditure to be Financed</b>	<b>219,904</b>	<b>0</b>	<b>219,904</b>	<b>222,115</b>	<b>2,210</b>	<b>4,703</b>	<b>(2,492)</b>
Financing	(219,904)	0	(219,904)	(220,521)	(617)	(350)	(267)
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,593</b>	<b>1,593</b>	<b>4,353</b>	<b>(2,760)</b>

**Table 2: 2024/25 Revenue budget forecast by service**

Service Area	Original Budget 2024/25	Budget Adjustments	Revised Annual Budget	Forecast Outturn	Forecast (Under) / Over Spend @ Update 3	Forecast (Under) / Over Spend @ Update 2	Variance
	'000's	'000's	'000's	'000's	'000's	'000's	'000's
Adult Services	42,816	(62)	42,754	44,794	2,040	2,505	(464)
Children Services	22,450	(137)	22,313	24,781	2,468	1,536	932
Public Protection	1,982	(32)	1,950	1,671	(279)	(147)	(132)
SCH Support	1,162	17	1,179	1,161	(18)	3	(21)
<b>Social Care, Health &amp; Safeguarding</b>	<b>68,410</b>	<b>(214)</b>	<b>68,196</b>	<b>72,407</b>	<b>4,211</b>	<b>3,897</b>	<b>314</b>
Economy, Employment & Skills	299	(4)	295	136	(159)	(149)	(10)
Emergency Planning	170	0	170	195	25	16	9
Individual Schools Budget	52,459	0	52,459	52,500	41	0	41
Resources	1,032	(12)	1,020	1,037	17	43	(26)
Standards	11,192	(18)	11,174	11,522	348	614	(266)
<b>Learning, Skills and Economy</b>	<b>65,152</b>	<b>(34)</b>	<b>65,118</b>	<b>65,390</b>	<b>272</b>	<b>524</b>	<b>(252)</b>
Enterprise, Housing & Community Animation	2,735	(126)	2,609	2,505	(104)	54	(158)
Facilities & Fleet Management	10,123	401	10,524	11,063	539	774	(235)
Neighbourhood Services	11,305	72	11,377	11,836	459	237	222
Placemaking, Highways & Flood	2,024	(221)	1,803	1,579	(223)	(110)	(113)
<b>Infrastructure &amp; Place</b>	<b>26,187</b>	<b>126</b>	<b>26,313</b>	<b>26,983</b>	<b>671</b>	<b>955</b>	<b>(284)</b>
Communications	434	(9)	425	387	(38)	(43)	5
Countryside & Culture	1,141	(9)	1,132	1,067	(65)	(39)	(26)
Finance & Business Development	4,336	44	4,380	4,424	44	174	(130)
Leisure, Youth & Outdoor Adventure	2,393	(125)	2,268	1,991	(277)	(257)	(20)
<b>Customer, Culture and Wellbeing</b>	<b>8,304</b>	<b>(99)</b>	<b>8,205</b>	<b>7,869</b>	<b>(336)</b>	<b>(165)</b>	<b>(170)</b>
Policy, Scrutiny & Customer Service	1,415	(3)	1,412	1,384	(28)	18	(46)
People	1,873	(26)	1,847	1,869	22	75	(53)
<b>People, Performance and Partnerships</b>	<b>3,288</b>	<b>(29)</b>	<b>3,259</b>	<b>3,253</b>	<b>(6)</b>	<b>94</b>	<b>(100)</b>
Democratic Services	1,847	(2)	1,845	1,825	(20)	(19)	(1)
Legal and Land Charges	1,047	(17)	1,030	1,051	21	67	(46)

<b>Law &amp; Governance</b>	<b>2,894</b>	<b>(19)</b>	<b>2,875</b>	<b>2,877</b>	<b>2</b>		<b>48</b>	<b>(46)</b>
Commercial, Corporate & landlord Services	1,867	(118)	1,749	1,710	(39)		11	(50)
Corporate Health & Safety	92	63	155	155	(0)		0	(0)
Finance	3,936	4	3,940	3,589	(351)		(197)	(154)
Information Communication Technology	2,996	2	2,998	2,958	(40)		(15)	(25)
<b>Resources</b>	<b>8,891</b>	<b>(49)</b>	<b>8,842</b>	<b>8,412</b>	<b>(430)</b>		<b>(201)</b>	<b>(230)</b>
Precepts & Levies	26,532	0	26,532	26,535	3		3	0
Coroner's	278	0	278	278	0		(0)	0
Archives	213	0	213	219	6		6	0
Corporate Management	398	0	398	407	9		23	(14)
Non Distributed Costs (NDC)	577	0	577	759	182		(0)	182
Strategic Initiatives	(350)	287	(63)	(1,829)	(1,766)		0	(1,766)
Insurance	1,828	0	1,828	1,787	(41)		0	(42)
<b>Corporate Costs &amp; Levies</b>	<b>29,476</b>	<b>287</b>	<b>29,763</b>	<b>28,156</b>	<b>(1,607)</b>		<b>32</b>	<b>(1,639)</b>
<b>Net Cost of Services</b>	<b>212,603</b>	<b>(32)</b>	<b>212,571</b>	<b>215,347</b>	<b>2,776</b>		<b>5,183</b>	<b>(2,407)</b>
Interest & Investment Income	(1,176)	0	(1,176)	(1,142)	34		(15)	49
Interest Payable & Similar Charges	7,252	0	7,252	6,913	(339)		(175)	(164)
Charges Required under Regulation	6,230	0	6,230	6,398	168		(41)	209
Other Investment Income	0	0	0	0	0		(1)	1
Borrowing Cost Recoupment	(3,883)	0	(3,883)	(4,347)	(464)		(248)	(216)
Contributions to Reserves	833	0	833	1,050	217		0	217
Contributions from reserves	(1,955)	32	(1,923)	(2,104)	(181)		(0)	(181)
<b>Appropriations</b>	<b>7,301</b>	<b>32</b>	<b>7,333</b>	<b>6,768</b>	<b>(565)</b>		<b>(480)</b>	<b>(85)</b>
<b>Expenditure to be Financed</b>	<b>219,904</b>	<b>0</b>	<b>219,904</b>	<b>222,115</b>	<b>2,210</b>		<b>4,703</b>	<b>(2,492)</b>
General Government Grants	(91,149)	0	(91,149)	(91,149)	0		0	(0)
Non Domestic Rates	(34,871)	0	(34,871)	(34,871)	0		0	(0)
Council tax	(102,295)	0	(102,295)	(102,387)	(92)		0	(92)

Council Tax Benefit Support	8,410	0	8,410	7,885	(525)	(350)	(175)
<b>Financing</b>	<b>(219,904)</b>	<b>0</b>	<b>(219,904)</b>	<b>(220,521)</b>	<b>(617)</b>	<b>(350)</b>	<b>(267)</b>
<b>Net General Fund (Surplus) / Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,593</b>	<b>1,593</b>	<b>4,353</b>	<b>(2,759)</b>



<b>SOCIAL CARE &amp; HEALTH</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>2,494</b>	<b>3,897</b>	<b>4,211</b>	

The directorate projected overspend position at Update 2 saw a deterioration of £1.403M, which was largely attributable to new demand pressures within both Adults and Children's services. Update 3 has seen a further deterioration of £314K.

Adult division is forecast to overspend at Update 3 by £2.040M representing an improvement of £465k from update 2.

At update 2 pressure had arisen through a £230K shortfall against the budgeted cost of in-year fee increases for provider services (including domiciliary care, residential care and support service contracts). This pressure has remained.

External residential care home placements in Adult services have increased by 30 to 338 since the budget was set (including 11 new placements since update 2) causing a £620K pressure on the budget. Care at home placements are not made without management oversight and where all other options for care provision have been explored. Nevertheless the needs of our residents are such that the increase in requirements for care home placements remains on an upward trajectory (between 1 and 1.5 new placements weekly over the year to date). It is hard to predict at what rate care home placements will continue to increase particularly as we remain in the winter period with pressure being exerted on speeding up hospital discharge. The service will continue to monitor the net effects of movement within the care home population over the rest of the year.

Leading up to update 2 there was a significant increase in non-residential (care at home) with a sharp uptake since July adding a further £500K of overspend. The rate of increasing demand for care at home has stabilised at update 3, with the caveat that the full impact of winter pressures may not yet be fully known.

The service is finding it challenging to achieve savings set out within the practice change and partnerships mandates resulting in £838K of pressure. The service has put in additional controls around how new care services are provided, which is helping to ensure that care is provided with parity across the area and allocated according to the most pressing needs. As and when opportunities arise, care at home is being re-brokered to ensure that costs are minimised as far as possible without compromising people's care and support needs. However, where reviews result in a reduction of services delivered in-house, this does not result in a case saving. The ongoing programme of reviewing existing care remains challenging because of the pressure of managing new referrals and assessments; however additional resource has now been turned to reviewing care arrangements using some external funding. As health are re-trenching around their own cost pressures, we have been unable to make progress in successfully pursuing Continuing Health Care costs; however individual cases remain under regular review.

A further pressure of £375K has arisen as contrary to previous indications, WG have confirmed that any potential increase to the non-residential weekly care charging cap will not go ahead. A small amount of grant totalling £70K has been awarded to offset this.

A workforce pressure of £112K has arisen within our Frailty service (which falls under a Section 33 arrangement with health). The frailty service supports frail older people in the community and avoids unnecessary hospital admissions.

Debt due to non-payment of adult care charges stands at £2.5M, an increase of £200K since update 2, which in turn has increased the bad debt provision by £40K.

The improved position within adults services has arisen because of vacancies being carried within domiciliary care, and care being purchased through the external market. This represents an in-year saving which we will be utilising moving forward into 25/26 to allow us to re-launch an enhanced reablement (in-house) service.

With Children's service the Head of Service commentary sets out the challenges arising from the number of children entering the care system and the pressure on the service, placements and costs this creates. There is a comprehensive suite of family support services in place that helps to mitigate risks, and to ensure that children come into care only when there is absolutely no alternative. Equally work continues around supporting children to return to family care or move to semi-independence at the earliest opportunity (where is safe and, in the child's best interests). The progression planning for children takes dedicated resource and a carefully implemented multi-agency approach. This period has included the step down of 2 children from residential care which is to be commended. Nevertheless, despite achieving £1M against the saving mandate, with another £197K being projected, the pressure of new referrals has generated a £2.5M projected overspend. Equally it is hard to predict whether the current rate of children entering care or requiring intensive services in the community will continue during the final quarter of the year.

As in previous years, the directorate bottom line, continues to benefit from a number of Welsh Government grants at approximately £3M including Workforce grant, Regional Integration Fund and the Radical/Eliminate grants, which are used to bolster core service provision. This creates an additional risk and potential pressure for the service in that there is little certainty over the extent to which these grant streams will be maintained in the medium term. The directorate has additionally benefited from some forecast savings in public protection largely as a result of savings against posts.

## ADULT SERVICES

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	1,534	2,505	2,040	

There are ongoing risks around increased costs of care, and the complex needs of an ageing population and processes are in place to manage new demand. There is a general trend being experienced not only by this Authority but across the region on the uptake in demand for care, both residential and non-residential.

Residential placements, on average, have net increased by 4 per month, with the numbers at the end of Update 3 closing at 338, an increase of 11 since update 2.

For non-residential care, since the significant uptake in July and August detailed in update 2, at the close of update 3 we have not experienced any further significant increases, but the usual pressures of winter are yet to conclude.

The Frailty regional pooled fund is projected to overspend, for our contribution into the pool fund, by £112K due to the 10% saving target as part of the regional pooled fund for this year, which for MCC equates to £160K. The majority of the spend is staff related which has given us little opportunity to mitigate the full savings without a negative impact on operational delivery for this most vulnerable group. It has been agreed that a regional review will take place to determine the benefits / dis-benefits of retaining regional pooled funding arrangements.

The improving picture in adult social care is due to an £800k underspend in the Care at Home service as we are currently carrying a large number of staff vacancies, whilst the reablement project is underway (re-design the workforce). Whilst currently a fortuitous underspend, vacancies also present an opportunity to redesign the specialist reablement provision which will allow the service the potential to deliver longer - term savings in a more sustainable way. We have been able to offset the impact on service delivery through increased ability to commission from the external market.

The new commissioning arrangements for domiciliary care in the South from April will offer better opportunities to accurately forecast spend as hours are purchased in blocks and premium rates eliminated from the pricing structure.

Additional hours have been allocated to staff to conduct reviews, for which external funding has been secured in order to offset the staff costs over the 3 month period until 31<sup>st</sup> March 2025.

## CHILDREN SERVICES

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	1,134	1,536	2,468	

The first quarter of this year saw an increase in the population of Children Looked After (CLA) which rose from 199 at 2023/24 year end to 208 at the end of July including an increase in the number of residential placements from 21 to 23. This created creating a pressure of £1M.

As at end of Sept the number of children looked after was 205 a reduction of 3. During this period 30 children became looked after and 24 children ceased to be looked after. The new entrants included a family of 5 siblings, a family of 3 siblings and 5 families of 2 siblings. The needs of the children and the lack of suitable alternative in house placement options has resulted in 2 new entrant children being placed in residential care and 5 in For Profit Foster care. In addition, 8 children have entered "Parent and Child" assessment placements which includes a parent with 4 siblings and 3 individual children with their respective parents. Whilst such placements are time limited (approx. 12 weeks) they are high cost with each placement mandated by Family Court during proceedings. A further net pressure of £403K has arisen due to the needs of these children.

At the end of Dec although the numbers of children being looked after has remained stable, the degree of change and movement underneath the headline figure has continued to impact the in-year forecast. This has included one high cost residential placements, a further 6 parent and child placements and extensions to 2 others. This has created a further in-year pressure of £932K.

Some anticipated movements in placements were delayed in accordance with the needs of the children thereby reducing the amount of savings that could be achieved. In addition, this year has seen a higher than usual number of children's placements breaking down, such that there is then no option but to place in a higher-cost placement.

Lack of placements for children remain a significant challenge within the service with ongoing instability and uncertainty within external providers of both residential and IFA placements, resulting in increased costs for external placements, more competition for placements and less movement. The recruitment of in house foster carers also remains a challenge. The service is continuing to develop its own provision including a step-down provision for

young people aged 16+ expected to be operational from November and a children's residential home expected to be operational by the end of this financial year.

The service continues to review all CLA children's placements with a focus on high-cost placements. The service is able to utilise the suite of family support services that are in place to ensure that all opportunities for children to remain in family care or return to family care are maximised.

In this way, £1M saving target has already been achieved with a further projected saving of £197K profiled into the rest of the year. This does present some ongoing risk of achievability, in that the current cohort of children looked after having longer standing histories of being in care and more complex trauma presentations, making it harder to achieve step down placements.

Alongside the pressure arising from children's placements, there is a further pressure of approximately £200K within the Family Time team out of hours service. The establishment of the out of hours service in 2023 was in response to the significant costs of using private nursing agencies to manage risk in the community (keeping children at home or under supervision in a hospital whilst safeguarding investigations are ongoing). This is a cost avoidance (overspend management) strategy which has seen a reduction of up to 60% in the use of external agencies despite the service supporting 2 children to step down from residential care placements.

## PUBLIC PROTECTION

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'s	(175)	(147)	(279)	

The underspend is mainly as a result of staff vacancies, including the head of service role. 2 posts having external funding and expected income above budget.

## SCH SUPPORT

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	1	2	(18)	

This budget area is broadly in line with budget, with a small under spend currently forecast.

## LEARNING, SKILLS & ECONOMY DIRECTORATE

Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	468	523	272

The Directorate's current position is a forecasted overspend of £272,000.

This is largely due to additional learning needs (ALN), with an unexpected increase in ALN placements at both Independent and Out of County Schools. Since Update 2, we have been able to mitigate the additional costs following receipt of an ALN Grant.

There has also been a large increase of ALN pupils receiving EOTAS (Education Other Than At School) Bespoke packages. However, this is considerably more cost effective than the pupils attending Independent Schools. The directorate have also been liable for £56k of the Post-16 Specialist Placement Costs for 23-24, as the Joint Contribution was not funded, as previously anticipated.

Further additional costs across the Directorate have been offset with additional grant funding, holding vacancies and through income generation.

### Economy, Employment & Skills

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'s	0	(149)	(159)	

An ability to passport core costs to grant funding, and a reduction in supplies and services.

### Emergency Planning

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'s	16	16	25	

The overspend is due to employee related savings not being met.

### Individual Schools Budget

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(4)	0	41	

The overspend is due to additional funding of £16k agreed for Gwent Music relating the top up of hardship funding for eligible pupils, and £20k funding for Transport (Bus to Caldicot School), along with several smaller costs relating to schools, such as licences, Welsh Translations etc

### Resources

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	17	43	17	

The overspend is due to receiving a revised estimate for the Premature Retirement contributions, and a reduction in income against the Photovoltaic Grids.

We have generated income to offset this through a member of staff conducting Estyn visits.

<b>Standards</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>440</b>	<b>614</b>	<b>348</b>	

The overspend of £613,655 at Update 2 was largely due to an increase in new starters at Independent and Out of County Schools. However, we have recently received additional ALN Grant Funding, which we have been able to use to offset costs. Therefore, the current forecasted overspend of £347,684 is due to the following:

- £286k ALN – Independents (new starters at Independent Schools, pupils staying on for Year 14 and additional support for existing pupils. We are also liable for £56k of Post-16 Specialist Placement Costs for 23-24 (as we had thought the Joint Contribution was being funded) + an increase in the number of pupils receiving EOTAS (Education Other Than At School) Bespoke packages. Costs have reduced since Update 2 due to receiving additional ALN Grant Funding)
- £54k ALN – OOC (new starters in out of county schools, reduced by estimated costs for a pupil being less than expected)
- £16k ALN – Recoupment (unable to meet expected recoupment, due to out of county pupils leaving Monmouthshire schools)
- £51k ALN Transport - £12k invoice received regarding 23-24, 2% increase in external contracts from September and an increase in personal travel budgets
- £31k Expansion of Early Years Grant – an increase in the number of nursery places being taken up, particularly in non-maintained settings
- £39k Primary Breakfast Initiative Grant – an increase in catering and staff costs
- £5k ALN Equipment Budget – additional funding required for ALN Equipment
- -£134k of grant funding able to offset existing costs

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<b>INFRASTRUCTURE &amp; PLACE DIRECTORATE</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>963</b>	<b>955</b>	<b>671</b>	

**COMMUNITIES & PLACE DIRECTOR'S COMMENTARY:**

The directorate is forecasting to overspend by £671k, an improvement of £285k since Update 2. A detailed explanation for each service area is provided below but we are continuing to see budget strain in our demand led services with the main pressures falling within School & Passenger Transport, Housing, Fleet Maintenance and Waste services. We have seen slight improvements in the overspend positions for Fleet, Homelessness and PTU but this has been offset by an adverse swing in waste where our recycle contract renewal has been delayed resulting in our costs remaining higher than forecast, although officers are currently looking at options to mitigate.

We are currently on course to make £467k (50.4%) of our £927k saving target. As at Update 2 the main reason for this shortfall is due to the delay in the relocation of tenants into Severn View resulting in all of the £400k saving not being met this year, although this has mostly been offset by unbudgeted discretionary housing grant.

### Enterprise, Housing & Community Animation

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(107)	54	(104)	

Enterprise & Community Animation is forecasting to under spend by £104k, this is mainly due to: -

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- **Enterprise Mgt** - £255k underspend – Employee savings due to vacant senior management posts that have been frozen as part of the recent SLT restructure (£154k), further staff savings within our Strategic Operations team from not backfilling a senior officer post whilst on maternity leave and a vacant IT officer post that will not be filled (£39k) and a £62k saving on our City Deal contribution as this has been moved to capital as part of the authority's in-year budget recovery plan.
  - **Housing** - £150k over spend, this can be broken down into these main areas: -
    - **Housing** - £197k net overspend – an improvement of £73k since Update 2 – pressure continues across our B&B and leased accommodation portfolio where annual operating costs are projected to exceed available budget. The relocation of tenants to Severn View is now expected to start at the end of March and this delay has meant we will not make any of the £400k saving built into the budget this year. We have been fortunate that this pressure has been mostly covered by the receipt of a one-off WG discretionary homelessness grant, in addition, due to the ongoing work to replace B&Bs with alternative accommodation we are now seeing a reduction in our Housing Benefit subsidy penalty, revised projections are estimating a £114k saving against budget which is a £24k improvement from Update 2. On top of this we have been able to passport £39k of staff costs against the HSG grant reducing the overall net budget pressure to £197k.
    - **Careline** – £47k under spent – no change from Update 2 - due to the ability to offset staff costs against grant funding and in the reduction in equipment spend as stocks were replenished last year (via grant) reducing the need for in-year spending this year.

### Facilities & Fleet Management

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	867	773	539	

Facilities, Fleet & De-carbonisation are forecasting a £539k overspend, this is due to :-

- **Decarbonisation** - £11k net underspend – this can be attributed to the following factors :-
  - Corporate Mileage Saving - £100k over spend – the required changes to the current corporate travel and disbursement policy will not be made this year so we won't be able to implement the roll-out of the Pool car scheme and other initiatives resulting in all of the £100k budget saving not being achieved.
  - Solar Farm - £79k deficit – an improvement of £35k since update 2 – income has improved in the latter half of the year but poor weather and grid outages earlier in the year have impacted on the budget, the solar farm is forecasting to make a surplus of £323k this year but this is £79k less than the budgeted surplus of £403k.
  - De-Carbonisation Team - £146k under spend – due to staff vacancy savings, only 2 (Decarbonisation Mgr and 1 Project Officer) of the 5 posts within the team are currently filled and out of the remaining 3 vacant posts 2 are forecast to be filled in March and the remaining energy officer vacancy frozen until April to aid with in-year budget recovery.
  - Sustainability - £45k underspend – due to energy savings generated from our renewable energy portfolio that is installed throughout our buildings.
- **Passenger Transport** – £505k net over spend– improvement of £77k since Update 2 – overspend is due to increased service demand as pupil numbers have increased resulting in additional contract costs coupled with a shortfall in public bus service funding. These have been part offset by the receipt of funding linked to the administration of the regional Bus Network Grant plus a one-off windfall payment relating to a balance owing from last financial year. We have also received income from the sale of 2 coaches and been able to passport £50k of qualifying spend to capital as part of the in-year budget recovery plan resulting in an overall improvement in position since September.
- **Fleet Maintenance** - £44k overspend – an improvement of £64k since update 2 – we have been able to move qualifying ICT, EV and maintenance costs to capital (as per budget recovery plan) which has helped in reducing the overspend. The budget has been impacted this year with the rising cost of parts, supply chain delays, the growth in hire vehicles and increased borrowing spend as we transition to fleet to EV.

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### Neighbourhood Services

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	263	237	459	

Neighbourhood Services is forecasting to overspend by £459k, due to :-

- **Streetlighting** – On Budget – an improvement of £20k since Update 2, this is due to maintenance costs being passported to capital as part of in-year budget recovery.
- **Highways Operations** – On Budget – No change from Update 2 - current projections indicate that our 24-25 programme of works will come in within budget, a bad winter will potentially impact on costs, but officers will look to mitigate this through adjusting the programme accordingly.



- **Highways External** - £100k underspend – as per update 2 – income projections for external works will exceed original targets. The partnership works we do for SWTRA (South Wales Trunk Road Agency) will be on budget as per the cost recovery arrangement.
- **Highways Design & Road Safety** - £119k underspend – underspend mainly as a result of 4 staff vacancies that will now not be filled until the new financial year to aid with in-year budget recovery.
- **Waste & Grounds Maintenance** - £678k overspend – a £293k adverse swing from Update 2 – as reported last time out we are still experiencing volatility and reduced values of our recycle, our early year forecasts assumed that the new contract would be in place for January generating savings but this has been delayed causing further pressure to the budget. Income has been affected by the introduction of Workplace recycling regulations, the changes we have made to charging structures to accommodate this has resulted in a large reduction in trade waste collection income plus additional recycling collection costs. These coupled with the volatility of end market values has resulted in an increasing pressure on the bottom line. In addition, the 24/25 budget was built on the premise that our polyprop service would be fully operational from the 1<sup>st</sup> April, delays in vehicle delivery have meant that the service did not start in full until November resulting in our early year disposal costs being higher than originally anticipated. Officers are currently working to mitigate this pressure and are looking into options to reduce contract and supplies and services spend but we will not know until update 4 on the level of reduction. Grounds service is currently forecasting a break even budget.

## Placemaking, Highways & Flood

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(58)	(110)	(223)	

Placemaking, Highways & Flooding is forecasting to under spend by £223k, due to :-

- **Building Control** – £61k over spend – a £12k improvement from Update 2 - forecasts continue to indicate a similar position to last year where fee income was impacted by the economy resulting in reduced applications. In addition, the introduction of the Building Safety Act 2022 has increased the amount of statutory non-chargeable works having to be undertaken adversely affecting staff and income budgets. The improvement since update 2 is because we have managed to move qualifying expenditure to capital as part of the in-year budget recovery plan.
- **Planning & Development Control** - £80k overspend – as per update 2 application fee income projections are indicating that we will not meet our budgeted targets this year as well as our Fast Track application targets. As stated previously councils are lobbying WG to increase the planning fee rate given that they have not risen with inflation and have remained fixed since 2020. WG are currently reviewing this matter.
- **Car Parks & Civil Parking Enforcement** - £60k under spent – no change from Update 2 - Underspend is due to improved income as our annual pay & display projection is currently exceeding budget, in addition the position has been helped by employee savings due to full year vacant posts.
- **Highways Development & flooding** - £170k under spent – an improvement of £67k from Update 2 - Employee under spend in Flooding due to full and part year vacancies coupled with improved income mainly from additional Highways development fees and capital programme fees, we now have a better understanding of the level of development fees that we will be receiving this year and this has been reflected in the forecast and is the main reason for the improvement in position since update 2.
- **Schools Catering** - £133k underspend – an improvement of £42k since Update 2 – mainly because of in-year staff savings due to the delay between a staff member leaving and appointing someone into the post, in addition we have moved £30k of qualifying IT costs against capital as per the budget recovery plan.

<b>CUSTOMER, CULTURE &amp; WELLBEING DIRECTORATE</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(46)</b>	<b>(165)</b>	<b>(336)</b>	

The directorate is forecasted to underspend by £336k, representing an improvement of £171k compared to financial update 2.

The delays in the implementation of the area management restructure, alongside deferred staff savings within the museum service and reduced income at our attractions, have been offset by the increased revenues from our leisure services, markets, and countryside departments. This improvement in income is attributable to our marketing campaigns and the diligent efforts of our sections to enhance customer experiences. Consequently, these efforts have resulted in the addition of new members and improved membership retention. Notably, this year's annual campaign has already generated 274 new memberships, translating to an income of £73k, with three weeks remaining.

There remains a significant risk around income predictions in both the leisure services, outdoor adventure centre, and Borough Theatre. Update 3 forecast relies on £5.3m of income generation from these three services alone. We will continue to monitor income closely as the year progresses.

#### **(Monlife) Countryside & Culture**

<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(6)</b>	<b>(39)</b>	<b>(66)</b>	

**Countryside & Culture section** is forecast to underspend by £66k an improvement of £27k from update 2 this is due to additional grant income and confirmed income that has previously been unknown.

#### **(MonLife) Communications**

<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>(44)</b>	<b>(38)</b>	

**Central Communications** is projected to achieve a significant underspend of £38k. This financial efficiency has been realised through strategic allocation of staffing costs to individual grants within the community and partnership division, thereby reducing our reliance on core funding.

#### **(Monlife) Finance & Business Development**

<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
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<b>Deficit / (Surplus) £'000s</b>	<b>62</b>	<b>174</b>	<b>44</b>	
<p>The Finance, Business and Development section is forecast to overspend by £44k. There continue to be income pressures in some service areas, but significant improvements have been observed in key areas of risk, such as The Borough Theatre, Attractions, and Management.</p> <p><b>Attraction</b> sites are forecast to overspend by £51k due to lower than expected visitor numbers, which were affected by adverse weather during the summer. Efforts are being made to offset the reduction in income through one-off events and grant opportunities.</p> <p>The <b>Borough Theatre</b> is expected to overspend by £30k due to lower than anticipated income. The section is still recovering post-pandemic and from site closures. Additionally, there has been a reduction of 50 seats, limiting opportunities for larger performances. However, there has been an improvement in the third quarter of 24-25, which is hoped to continue into the next financial year, reducing reliance on core funding.</p> <p><b>Learning</b> is forecast to overspend by £16k due to reduced income.</p> <p><b>Museums</b> are expected to overspend by £40k due to delayed staff savings and higher than anticipated expenditure. The section will seek to use any available grant opportunities or reserve balance to mitigate this where possible.</p> <p><b>Management</b> is forecast to overspend by £19k due to delayed implementation of the area management structure. This process is underway, and the changed structure is likely to be implemented in the final quarter of 24-25.</p> <p>These overspends have been offset by underspends in other areas: markets (£32k), business support (£22k), hubs (£7k), and the contact centre (£50k) due to increased income, reduced overheads, and staff vacancies.</p>				
<b>(Monlife) Leisure, Youth &amp; Outdoor Adventure</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(102)</b>	<b>(257)</b>	<b>(276)</b>	
<p><b>Leisure, Youth and Outdoor Adventure</b> are forecast to underspend by £276k, this is due to increase income at our four leisure facilities, we have seen continued growth in our monthly Direct Debit memberships, improved membership retention due to improving our customers journey and investing in digital and site improvements. Along with additional grants which have been used where applicable to offset core staffing costs whilst still delivering the outcome of the grant.</p> <p><b>The Outdoor Adventure Centre</b> has improved its residential income position on 23-24.</p>				
<b>PEOPLE, PERFORMANCE &amp; PARTNERSHIP DIRECTORATE</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>

<b>Deficit / (Surplus) £'000s</b>	<b>68</b>	<b>94</b>	<b>(6)</b>	
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Chief Executives is forecasting to underspend by £6k.

The People function is in the middle of a period of change following the approval of the People Strategy and appointment of our new Head of HR. We are introducing automation into recruitment and payroll. There have been some teething problems but this will ultimately improve customer experience and back-office efficiency. This is taking longer than anticipated due to challenges with system integration and as a result savings will not be realised until 2025-26. We have reduced staffing levels to contribute to the budget recovery. We have taken to lower costs, including entering a collaborative arrangement with other authorities for our new training system which has reduced license costs. However, there have been some one-off costs attached to entering the collaboration meaning the financial benefits of collaboration will not be seen until next year.

The biggest financial pressure in Policy, Scrutiny and Customer Relations is for Welsh language translations. This is a statutory obligation. While we can do little about demand, a business case has been developed to provide the service in a different way which would help reduce supply side costs from 2025-26 onwards. We have seen a small reduction in demand above forecast levels in the second half of the year, which along with not back-filling a temporary vacancy in the Performance team, has helped improve the forecast between update 2 and 3.

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### Policy, Scrutiny & Customer Relations

<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>19</b>	<b>(27)</b>	

Policy, Scrutiny & Customer is forecasting to underspend by £27k, this is due to :-

- **Corporate** - £29k under spent – due to core staff management costs being partially covered by Ukraine grant funding as capacity is diverted to manage this project.
- **Customer Relations** - £32k over spent – the volume and cost of undertaking independent investigations continues to rise with a further increase of £7k over and above our projections in September.
- **Scrutiny** - £5 over spent – due to the inability to make staff vacancy factor savings and a small overspend in supplies and services.
- **Policy & Partnerships** – £35k underspend – an improvement of £47k since update 2 - Equalities and Welsh Language is forecasting to overspend by £36k due to translation demand outstripping available budget although projected activity has decreased since Update 2 by £29k and is the main reason for the improvement in outturn position. Our corporate subscriptions costs are expected to exceed budget by £20k but these overspends have been offset by underspends in GIS (£26k) and Community Safety (£14k) due to part year vacant posts and a £53k staff saving in Performance & Data as we have passported core staff costs to capital along with in year staff vacancy savings due to a career break.

<b>People</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>68</b>	<b>75</b>	<b>22</b>	

People Services is forecasting to overspend by £22k, the main variances are as follows:

- **Payroll & People Management** - £14k net underspend – a £52k improvement since update 2 – underspend is mainly due to staff savings where structures have now been realigned to fit resource requirements, and we have been able to reduce temporary support hours and the team are covering maternity leave in-house rather than backfilling the post to contribute to the recovery effort.
- **Occupational Health** - £31k overspend – no change from Update 2 - forecasts are indicating that occupational health appointment costs will exceed available budget mainly due to an increase in activity.
- **Corporate Training** – On Budget.
- **Organisational Development** - £4k over spent – Inability to meet staff vacancy savings.

<b>LAW &amp; GOVERNANCE DIRECTORATE (PG)</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>51</b>	<b>48</b>	<b>2</b>	

The outturn has improved significantly to a predicted overspend of £2k, which is a £46k improvement from what was reported at Update 2. This is largely as a result of a reduction in expected licensing costs and improved income. The position will continue to be monitored to ensure that we recoup further income where possible.

<b>Democratic Services</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Outturn Forecast</b>				
<b>Deficit / (Surplus) £'000s</b>	<b>(22)</b>	<b>(19)</b>	<b>(19)</b>	

Democratic Services is forecasting to underspend by £19k, this is due to :-

- **Members** - £21k under spend – no change from update 2 – due to a reduction in payroll costs because of savings from a part-year vacant position due to a councillor becoming an MP and a reduction in co-opted member costs.
- **Committee & Elections** – £2k overspend – due to an overspend in supplies and printing costs.

<b>Legal and Land Charges</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Outturn Forecast</b>				
<b>Deficit / (Surplus) £'s</b>	<b>73</b>	<b>67</b>	<b>21</b>	

Legal and Land charges is forecasting to overspend by £21k, this is due to :-

**Legal Services** - £26k overspend – a £41k improvement from Update 2 – overspend is due to a shortfall in rechargeable income and court fees, this has been offset by a part year staff saving and an underspend in supplies and services.

**Land Charges** – £5k underspend - as a result of moving IT server costs to capital.

<b>RESOURCES DIRECTORATE</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>18</b>	<b>(201)</b>	<b>(430)</b>	

The Resources directorate is forecasting an underspend of £430k, which is a significant improvement of £229k compared to Update 2 and reflective of the budget recovery efforts to support the wider budget position.

Corporate & Commercial Landlord services is now forecasting an overall under spend for the year reflective of significant savings within Landlord services, notably driven by staff vacancy savings. There continues to be an upward trajectory in rental income which is reflective of the ongoing work to maximise the potential of our asset base.

Commercial investments continue to fall short of budgeted net income targets though this is expected to improve slightly as lettings are secured through the remainder of the financial year.

Work continues into the review and rationalisation of our buildings portfolio, but this has been slower than originally anticipated and we are projecting a shortfall of £58k against the previous year's £215k budget saving requirement. Officers continue to proactively work in this area to establish further opportunities.

Across the wider directorate work continues to support the wider budget recovery action and is exploring all opportunities of limiting expenditure, holding vacancies, and maximising all avenues of income and grants. However the scope to now introduce any significant further levels of savings within the Resources budget at this stage of the year is very constrained, given the limited amount of controllable budget.

## Finance

<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(199)</b>	<b>(197)</b>	<b>(351)</b>	

Finance is forecasting to return a £351k underspend, this is mainly due to -

- **Revenues** - £57k net underspend:-
  - Benefits - £68k underspend – an improvement of £82k since update 2 - Housing benefit subsidy spend is now forecast to be £36k under budget and is the main cause of the improvement since update 2, this reflects the current subsidy and debt position and may change again in future forecasts as benefits applications change. In addition, there is a further £32k saving which is a combination of additional one-off grant income and managed service savings.
  - Council Tax - £23k overspend – there are a number of factors that make up this position. There is a £16k residual staff budget pressure,

the current debt profile for council tax and business rates indicates that the bad debt provision for court costs will need to be topped up by £21k (a £4k uplift from update 2). There is also a £2k overspend against unmet staff vacancy savings. However, these additional costs have been part offset by one off admin grant of £17k from WG.

- Charity Relief & Debtors - £12k underspend – due to staff vacancy savings in debtors and charity relief payments coming in under budget.
- **Systems & Exchequer** – £49k under spend – an increase in annual contract costs and essential system developments for the revenue and benefits system have been offset by managed staff vacancies, holding system development in cashiers and systems support and an increase in in-year recharge income. The £18k improvement from Update 2 is a mixture of additional managed staff and supplies and services savings to aid with in-year budget recovery.
- **Finance** - £222k under spend – an increase of £41k since update 2 – it is now anticipated that only 1 of the 4 vacant posts will be appointed before the start of the new financial year so the savings from staff vacancies has increased and is the reason for the improvement from Update 2, in addition the service has been able to recharge core staff costs to other sources of funding which has increased the underspend further.
- **Audit** – £22k underspend – staff savings due to part year vacancies that were filled later than originally thought and is the reason for the increase in underspend since Update 2.

#### Future Monmouthshire

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	0	0	0	

Future Monmouthshire is forecasting to return a balanced budget.

#### Corporate Health & Safety

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	0	0	0	

Corporate Health & Safety is forecasting to return a balanced budget.

#### Information, Communication & Technology

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(15)	(15)	(41)	

The ICT division is forecasting a £41k under spend, this is due to:-

- **Digital Programme Office** – £19k underspend – due to managed savings in supplies and services.

- **SRS Contribution** – £9k overspend – Overspend in our contribution to the Shared Resource Service, this is because of increases in Firewall costs and PSBA line costs.
- **Digital Design & Innovation** - £24k under spend - due to savings from managed staff vacancies.
- **Cyber Security Team** - £4k under spend – Due to staff savings through part year vacancy and a managed reduction in non-essential spend.
- **Telephony** – £4k underspend – due to a reduction in our call charges for 24-25.

### Commercial & Corporate Landlord

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	232	11	(38)	

Commercial & Corporate Landlord services is forecasting to under spend by £38k, due to :

- **Investment Properties** - £142k over spend, due to –
  - **Newport Leisure Park** - £112k over spent – No change from Update 2 - NLP is forecasting to achieve a surplus position of £234k after borrowing costs (an improvement of £143k on 23-24 outturn) but a variance of £112k on the budgeted target due to changes in some of the existing tenancy agreements reducing the expected annual rental and increased electricity standing charges following the surrender of previous tenants.
  - **Castlegate Business Park** - £29k over spent – No change from Update 2 - Castlegate is forecasting a £29k overspend due to increased rates and service charges relating to vacant units.
- **Landlord Services** - £190k under spend – an improvement of £66k since Update 2 – income increases reported in September have allowed us to mitigate a shortfall in our Property Rationalisation saving to only £58k of the original £215k, on top of this there is employee savings of £249k due to staff vacancies – at update 2 it was assumed that 3 of these posts would be filled by December but they will now not be filled until the new financial year and is the main reason for the improvement in position.
- **County Farms & Industrial Units** - £39k overspend – an improvement of £16k since update 2 - income has increased since September due to rental from a new tenancy and a rent review increase that was backdated to June 24. Rental income is down against budgeted targets due to the staggering of rent review uplifts and new tenancies only starting mid-way through the year, this has meant that we have only seen a part receipt of expected additional rental income in 24-25. In addition, as we continue to hold vacant units, we are liable to cover the running costs such as council tax which adds to the pressure - current forecasts have assumed a full year liability but this could change if we find tenants between now and year end.
- **Cemeteries** – On Budget – £5k adverse swing from Update 2 – latest income projections are showing a slowdown in burial income against earlier forecasts.



- **Building Cleaning & Public Conveniences** - £31k underspend – mainly due to staff savings from vacant posts and an £8k saving on maintenance and rates.
- **Property Services** – On Budget – underspends in staffing due to part year staff vacancies have been offset by overspends on maintenance and rates within office accommodation.

<b>CORPORATE COSTS &amp; LEVIES DIRECTORATE</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>6</b>	<b>31</b>	<b>(1,607)</b>	
<b>Precepts &amp; Levies</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>3</b>	<b>3</b>	
Slight increase in drainage levies (£2,950) compared to forecast.				
<b>Archives (Gwent Joint Records)</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>6</b>	<b>6</b>	<b>6</b>	
Final fees slightly above budgeted precept at budget setting.				
<b>Corporate Management</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>23</b>	<b>9</b>	
The joint Crematorium service dividend is expected to be £44k lower than budgeted due to net service income being lower than anticipated. This is offset by other numerous minor over and under spends.				
<b>Non-Distributed Costs</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>0</b>	<b>182</b>	
Additional pension strain costs due to premature retirements. This will be covered from additional contributions from the redundancy and pension reserve.				
<b>Strategic Initiatives</b>				

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	0	0	(1,766)	

WG award of Funding in relation to support for additional NJC pay pressures

### Insurance

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	0	0	(41)	0

There is a small saving predicted on premium payments and staff costs.

### TREASURY & RESERVES

Update 1	Update 2	Update 3	Update 4
(283)	(480)	(565)	

### Interest & Investment Income

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	48	(15)	34	

The rates available on some investments have reduced at a quicker rate than anticipated while one Pooled Fund has also seen a downturn in dividend.

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### Interest Payable & Similar Charges

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(42)	(175)	(339)	

Reduced market interest rates have led to small saving which has been further improved due to short-term balances being higher than anticipated.

### Charges Required Under Regulation

Outturn Forecast	Update 1	Update 2	Update 3	Update 4
Deficit / (Surplus) £'000s	(41)	(41)	168	

Underspend due to capital expenditure financed by borrowing in 23/24 being less than budgeted for. Additional vehicles have been disposed of in Q3 with any outstanding MRP charges provided for in year. The movement will be matched with an equal and opposite movement in Borrowing Cost Recoupment.

<b>Other Investment Income</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>(1)</b>	<b>(1)</b>	
Minor unbudgeted income.				
<b>Borrowing Cost Recoupment</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(248)</b>	<b>(248)</b>	<b>(464)</b>	
Budget was set before additional capital financing for 2023/24 vehicle purchases was finalised. Additional vehicles have been disposed of in Q3 with any outstanding borrowing charged in year. The movement will be matched with an equal and opposite movement in Charges Required Under Regulation.				
<b>FINANCING</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(350)</b>	<b>(350)</b>	<b>(617)</b>	
<b>Council Tax Reduction Scheme</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>(350)</b>	<b>(350)</b>	<b>(525)</b>	
Caseload continues to reduce and currently remains below the budget set				
<b>Council Tax</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>0</b>	<b>(92)</b>	
Council tax income is expected to be £125k less than budgeted. The council tax base remains healthy and is running ahead of the tax base set for the year. However council tax discounts and exemptions continue to rise which have a negative impact on the overall position.				
<b>Council Tax Premium:</b> Taking account of payments made to date and potential unpaid premiums turning bad in the future, estimate that an additional £217k will be collected this year. This will be transferred to the Council tax premium reserve.				
<b>General Government Grants</b>				
<b>Outturn Forecast</b>	<b>Update 1</b>	<b>Update 2</b>	<b>Update 3</b>	<b>Update 4</b>
<b>Deficit / (Surplus) £'000s</b>	<b>0</b>	<b>0</b>	<b>0</b>	

Income received to budget.

## 2. Section 3 – School Balances

- 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 forecast Schools' balances position, for each Educational Cluster.

School Reserves	(A) Opening Reserves (Surplus) / Deficit Position 2024/25	(B) Draw / (Contribution) from / (to) School Balances @ Update 1	(C) Draw / (Contribution) from / (to) School Balances @ Update 2	(D) Draw / (Contribution) from / (to) School Balances @ Update 3	(E) Draw/ (Contribution) to Reserves at Update 4	(A+D) Forecast 2024/25 Reserves
Cluster	£000's	£'000	£'000	£'000	£'000	£'000
Abergavenny	143	1,133	1,278	1,592	0	1,735
Caldicot	(87)	1,152	776	775	0	689
Chepstow	658	800	949	804	0	1,462
Monmouth	(552)	1,066	1,165	1,180	0	629
Special	741	778	719	889	0	1,630
<b>Total</b>	<b>904</b>	<b>4,929</b>	<b>4,887</b>	<b>5,240</b>	<b>0</b>	<b>6,144</b>

2.2. Collective School balances at the beginning of the Financial Year amounted to a deficit of £903,636. The anticipated further draw on reserves at Update 1 was £4,928,604, against a budgeted draw on reserves of £5,015,104, which resulted in a forecast deficit balance of £5,832,251 by year end.

2.3. At Update 2, the draw on reserves had reduced slightly, however at Update 3, the draw on reserves has increased to £5,240,192, resulting in a forecast deficit balance of £6,143,839 by year end.

2.4. The movement of individual schools forecast to be in deficit at the end of the year is shown below:

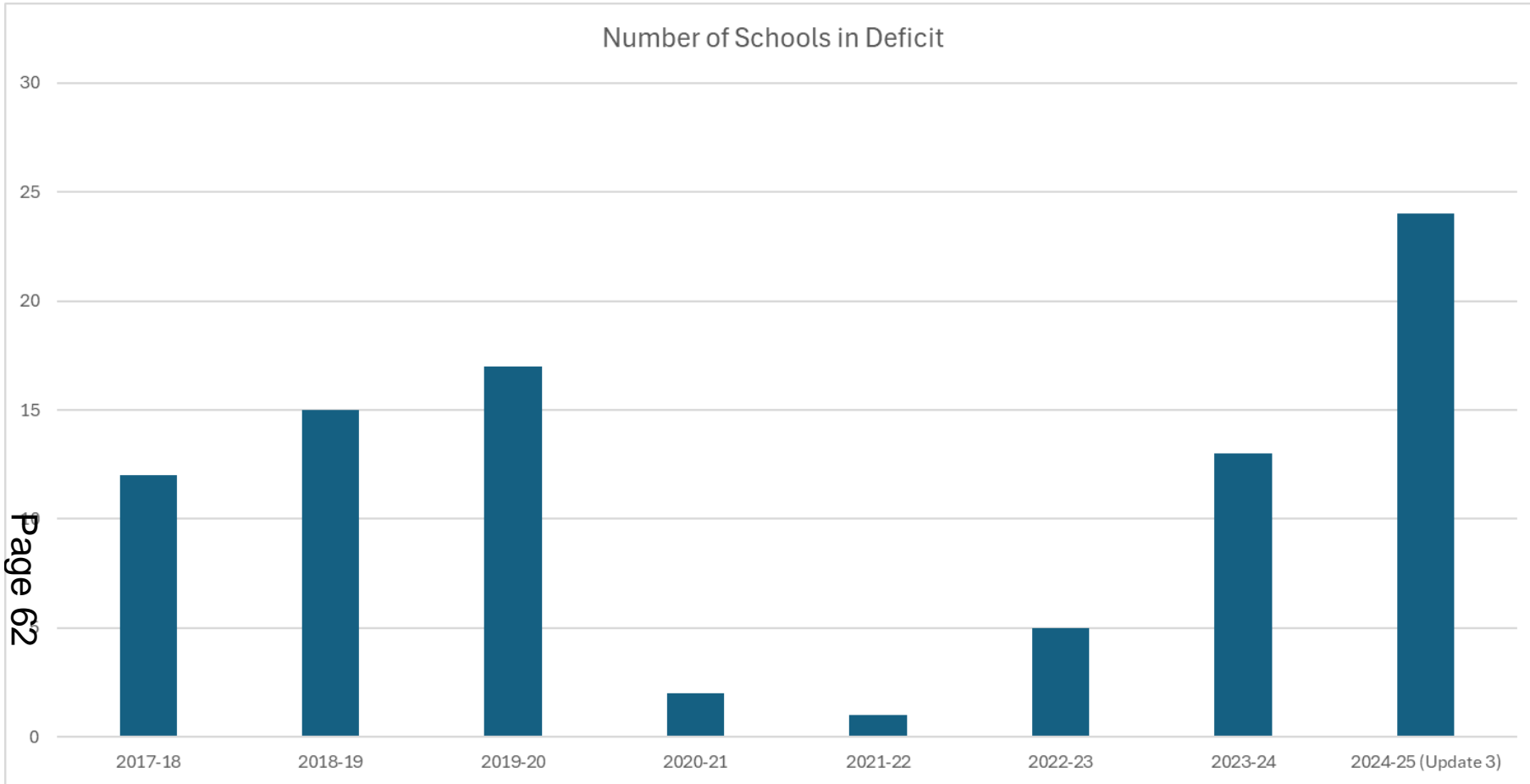
Start of year	Update 1	Update 2	Update 3	Update 4
<b>Total: 13</b>	<b>Total: 19</b>	<b>Total: 20</b>	<b>Total: 24</b>	<b>Total: 0</b>
Chepstow School	Chepstow School	Chepstow School	Chepstow School	
Pupil Referral Service	Pupil Referral Service	Pupil Referral Service	Pupil Referral Service	
The Dell	The Dell	The Dell	The Dell	

Our Lady & St Michael's RC Primary School (VA)	Our Lady & St Michael's RC Primary School (VA)	Our Lady & St Michael's RC Primary School (VA)	Our Lady & St Michael's RC Primary School (VA)	
Ysgol y Fenni	Ysgol y Fenni	Ysgol y Fenni	Ysgol y Fenni	
Caldicot School	Caldicot School	Caldicot School	Caldicot School	
Ysgol y Ffin	Ysgol y Ffin	Ysgol y Ffin	Ysgol y Ffin	
Osbaston	Osbaston	Osbaston	Osbaston	
Overmonnow	Overmonnow	Overmonnow	Overmonnow	
Gilwern	Gilwern	Gilwern	Gilwern	
Rogiet	Rogiet	Rogiet	Rogiet	
Thornwell	Thornwell	Thornwell	Thornwell	
King Henry VIII 3-19 School	King Henry VIII 3-19 School	King Henry VIII 3-19 School	King Henry VIII 3-19 School	
	Goytre Fawr	Goytre Fawr	Goytre Fawr	
	Llantilio Pertholey	Llantilio Pertholey	Llantilio Pertholey	
	Dewstow		Dewstow	
	Monmouth Comprehensive	Monmouth Comprehensive	Monmouth Comprehensive	
	Llandogo	Llandogo	Llandogo	
	Usk	Usk	Usk	
		Castle Park	Castle Park	
		Cross Ash	Cross Ash	
			Ysgol y Trefynwy	
			Undy	
			Kymin View	

- 2.5. The legacy impact of the pandemic continues within the school environment, particularly in respect of attendance, behaviours and increased additional learning needs. This has required increased staff and specialist resources to tackle the issues presenting and increased overall costs of provision. Higher than budgeted pay awards have also impacted upon budgets.
- 2.6. All schools that are budgeting to register a deficit balance at the end of the 2024/25 financial year are required to bring forward budget recovery plans. These recovery plans will be confirmed with both the Local Education Authority, each School's Governing Body and, in some cases, the plans will need to be agreed by the relevant Cabinet Member. All recovery plans are currently being reviewed, and where required, further support being given.

<b>Financial Year-end</b>	<b>Net level of School Balances (Surplus) / Deficit in £000's</b>
2015-16	(1,156)
2016-17	(269)
2017-18	(175)
2018-19	232
2019-20	435
2020-21	(3,418)
2021-22	(6,956)
2022-23	(4,257)
2023-24	904
2024-25 (forecast)	6,144

- 2.7. The decrease in school balances has resulted in an increase in the number of schools in deficit, as illustrated in the following table:



**3. Section 4 – Capital budget Forecast Outturn**

3.1 The forecast summary Capital position at Update 3 is as follows:



Category	Slippage B/F	Original Budget	Budget Adjustments	Provisional Slippage to 2025/26	Revised Budget 2024/25	Forecast Outturn	Over / (Under) spend
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
<b>Expenditure</b>							
Capitalisation Directive	387	3,357	0	0	3,744	3,744	0
Development Schemes Over £250k	8,222	100	4,590	(6,351)	6,561	6,340	(221)
Development Schemes Under £250k	2,013	590	390	(1,619)	1,374	1,351	(22)
School modernisation programme	8,604	19,507	(12,087)	(42)	15,981	15,981	0
Infrastructure	3,250	6,345	250	(3,429)	6,415	6,415	0
ICT Schemes	765	303	(230)	(181)	658	658	0
Property Maintenance	1,279	2,140	86	0	3,505	3,505	0
Renovation Grants	110	900	158	0	1,168	1,168	0
SCHO	27	0	148	0	175	175	0
Section 106	1,160	0	870	(1,196)	833	833	0
Regeneration - Specific Grant Funded	2,791	500	10,092	(382)	13,001	13,001	0
Vehicles	0	1,500	0	0	1,500	1,500	0
Other	0	0	0		0		0
<b>Total Expenditure</b>	<b>28,606</b>	<b>35,241</b>	<b>4,267</b>	<b>(13,199)</b>	<b>54,915</b>	<b>54,672</b>	<b>(243)</b>
<b>Financing</b>							
Supported Borrowing	0	(2,436)	0	216	(2,221)	(2,221)	0
General Capital Grant	0	(2,502)	0	0	(2,502)	(2,502)	0
Grants and Contributions	(3,596)	(13,850)	(9,408)	3,032	(23,822)	(23,822)	0
S106 Contributions	(1,122)	0	(870)	1,238	(754)	(754)	0
Unsupported Borrowing	(22,325)	(10,553)	5,929	8,196	(18,753)	(18,510)	243
Earmarked Reserve & Revenue Funding	(148)	(253)	0	163	(238)	(238)	0
Capital Receipts	(1,415)	(4,147)	82	355	(5,125)	(5,125)	0
Leasing	0	(1,500)	0	0	(1,500)	(1,500)	0
<b>Total Financing</b>	<b>(28,606)</b>	<b>(35,241)</b>	<b>(4,267)</b>	<b>13,199</b>	<b>(54,915)</b>	<b>(54,672)</b>	<b>243</b>

3.2 The forecast capital expenditure at update 3 is demonstrating a net underspend £243k, primarily due to the following variances identified:

Scheme	Over / (Under) spend £'000's	Comment
Crick Road Care Home	(175)	Scheme completed and facility is operational. The under spend has mitigated the need to further call on borrowing headroom.
Decarbonisation Surveys	(45)	Surveys completed under budget
Old Station Tintern Investment	(22)	Scheme completed slightly under budget.

### 3.3 Capital Slippage

3.4 Provisional Capital slippage forecast at update 3 is £13.199m:

Scheme Category	Scheme Name	Slippage £000's	Comment
Economic Development	Capital Region City Deal	1,473	Based on capital funding profile from CCRCDC where there has been a delay in identifying and progressing suitable schemes
Economic Development	Asset Investment Fund	1,853	Budget held for any required capital improvements at commercial investment sites. No works currently anticipated for 2024/25
Economic Development	Caerwent House, Major Repairs	51	Listed Heritage building requires further legal and planning clearance before the scheme can progress
Economic Development	Wye Bridge Chepstow works	265	Reconstruction works delayed to 2025/26 – Profiling of budget corrected – construction phase cost was built in too soon – survey, investigation & design works ongoing – construction phase to start next year.
Economic Development	Wye Bridge Monmouth works	2,033	Reconstruction works delayed to 2025/26 – Profiling of budget corrected – construction phase cost was built in too soon – survey, investigation & design works to potentially start in 25-26 but indications from Highways officers that construction won't start until 26-27 at earliest.
Economic Development	Solar Farm Development Cost	150	Delays due to capacity of grid connections, uncertainty over future service provider, and LDP concerns delaying the planning application

Scheme Category	Scheme Name	Slippage £000's	Comment
Highways	Carriageway improvements – additional allocation	667	Works rescheduled for early 2025/26 – the £1m additional capital budget will be profiled over 3 years to allow for better planning of maintenance projects to meet identified need.
Highways	Clydach Gateway Reinstatement and Devil's Bridge Associated Works A465	248	Works to be undertaken in 2025/26 – delay has been caused by the grant awarding body (LEI) – with administration and concerns over safety at the site due to potential landslide.
Education	Welsh Medium School and Nursery	2,630	Further options for Welsh Medium provision are being discussed in February 2025 to identify the most appropriate way forward for the scheme.
Education	Mounton House Refurbishment	200	Contractor delays due to inclement weather
Children's Services	Property Acquisition for Children and Young People with Complex Needs	144	Multi-year scheme for asset acquisition to alleviate out of County Children's supported housing provision
Housing	Housing Purchasing Provision	1,340	Multi-year scheme which is dependent upon suitable opportunities arising.
ICT Schemes	ICT Desktop replacement budget	50	Repurposed schemes to be identified early in 2025-26
ICT Schemes	Network Estate replacement budget	118	Repurposed schemes to be identified early in 2025-26
ICT Schemes	Provision of online facilities for Revenue's section	13	Repurposed schemes to be identified early in 2025-26
Transport / Highways	Feasibility study: Transport Depot South of County	129	Survey feasibility works have been commissioned to meet Planning Application requirements on identifying a suitable site.
Infrastructure	Footway, Reconstruction	131	Essential works being completed, some schemes, due to inclement weather, will slip into 2025-26
Infrastructure	Walls. Safety Fence upgrades	84	Essential works being completed, some schemes, due to inclement weather, will slip into 2025-26
Leisure Schemes	Monmouth Leisure Centre Redesign	42	Delay to Car Park improvements at Monmouth Leisure Centre

Scheme Category	Scheme Name	Slippage £000's	Comment
Grant Funded	NHLF Woodland Investment Grant	154	Likely to be a two year scheme spanning 2024-2026
Investment Schemes	Investment Schemes match funding	228	Budget to support match funded grant applications made by the Authority which are dependent upon opportunities arising.
S106	Various S106 schemes	781	Completion of schemes delayed due to bad weather and delays in the acquisition of new playground equipment
S106	Castle Park Primary Remodelling Works	415	Works needs to be completed when school shut in summer
		<b>13,199</b>	

### 3.5 Useable Capital Receipts Available

3.6 The table below outlines the latest forecast of capital receipts balances available to meet future capital commitments. All banked and forecast capital receipts have been committed to funding the indicative forward capital programme. Therefore any further use will be dependent upon forecast capital receipts being realised.

Capital receipt balances	2024/25	2025/26	2026/27	2027/28	2028/29
	£000's	£000's	£000's	£000's	£000's
Balance as at 1st April	9,984	5,052	3,332	1,116	635
Capital receipts used for financing	(1,381)	(640)	(460)	(460)	(460)
Capital receipts used to support capitalisation direction	(3,744)	(3,358)	(2,358)	(324)	0
Capital receipts Received	91	0	0	0	0
Capital receipts Forecast	103	2,278	603	303	0
<b>Forecast Balance as at 31st March</b>	<b>5,052</b>	<b>3,332</b>	<b>1,116</b>	<b>635</b>	<b>175</b>

**Budget savings progress 2024-25 - Update 3**

**Appendix 2**

	<b>Savings proposals by Directorate</b>	<b>Budgeted Saving</b>	<b>Update 3 Forecast</b>	<b>Variance to Budgeted Savings</b>	<b>Percentage met</b>	<b>Comment</b>
			<b>£000</b>	<b>£000</b>		
	Social Care & Health	(4,972)	(3,601)	996	80.0%	
	Learning, Skills and Economy	(3,172)	(2,812)	360	88.7%	
	Infrastructure & Place	(927)	(467)	460	50.4%	
	Customer, Culture and Wellbeing	(1,079)	(961)	118	89.1%	
	People, Performance and Partnerships	(86)	(86)	0	100.0%	
	Law & Governance	(33)	(33)	0	100.0%	
	Resources	(595)	(528)	67	88.7%	
	Corporate Costs & Levies	(77)	(77)	0	100.0%	
	<b>Totals</b>	<b>(10,940)</b>	<b>(8,565)</b>	<b>2,001</b>	<b>81.7%</b>	

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<b>Ref</b>	<b>Social Care &amp; Health</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>	<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	
SCH3/4	Childrens services - Placement and Practice Change - Reviewing high-cost placements and developing in house placement	(1,300)	(1,197)	103	Savings to date of identified placements totals £1M, with a further projected savings of £197K but these attract risk in deliverability
SCH2/5/7/16	Adults services - Directorate staffing review - reducing the workforce within adult services	(1,464)	(1,464)	0	

SCH6/8/9/10/14/15	Adults services - practice change agenda by managing demand, strengthening oversight and controlling costs	(1,130)	(292)	838		Review work is ongoing and we are looking at a plan to introduce some short term additional resource to accelerate this area of work. In addition, we are still actively pursuing CHC opportunities as they arise
SCH11	Adults services - Reduction in Adult partnership arrangements for Gwent service delivery models - Shared lives, Emergency duty, Frailty, Regional partnership team	(55)	0	55		We are currently in negotiation with Caerphilly CBC who host a regional Shared Lives partnership and partners are requesting a refund on built up reserves by Caerphilly from years of unspent partner funding.
SCH12	Adults services - Transformation Team structure - reduction in core workforce	(30)	(30)	0		
SCH14	Adults services - Savings from service relating to borrowing to afford Severn View replacement	(105)	(105)	0		
SCH18	Review and increase of directorate schedule of fees and charges across Social Care & Health	(388)	(388)	0		
SCH19	Public protection - Hold vacant Environmental Health Officer post	(23)	(23)	0		
Energy	Year-on-year change in energy cost	(102)	(102)	0		
SCH17	Review the legal non residential weekly charge cap from £100 to £120	(375)	0			Current indication is that this won't be progressed by WG
	<b>SCH Totals</b>	<b>(4,972)</b>	<b>(3,601)</b>	<b>996</b>		
<b>Ref</b>	<b>Learning, Skills and Economy</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>		<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>		

CYP2	CYP support - Release expected reserve from rebates for solar panel on schools	(120)	(100)	20		Solar panels not generating the expected budgeted income
CYP3	CYP Support - Freeze vacancy in student access team	(34)	(34)	0		Vacancy being held
CYP4	Net saving on ALN placements. Reduce the cost of out-of-county and specialist placements by investing in the quality and capacity of local, community and specialist resource basis.	(534)	(194)	340		Unexpected increase in new starters at Independent and Out of County Schools + additional support for existing pupils + liable for £56k of the Post-16 Specialist Placement Costs for 23-24 + an increase in pupils receiving EOTAS (Education Other Than At School) Bespoke packages. We have received additional ALN Grant Funding since Update 2, meaning we have been able to offset some of the additional costs
CYP5	ALN & Standards - Continue to hold a vacancy open in the Most team	(20)	(20)	0		Vacancy being held
CYP6	ALN & Standards - Reduction in Education Achievement Service contribution of 10%	(35)	(35)	0		Contribution reduced
CYP7	Stop contributions to Gwent Music, leaving hardship fund in place	(39)	(39)	0		Contribution reduced
CYP8	Increase Breakfast club charges	(70)	(70)	0		Charges increased
Energy	Year-on-year change in energy cost	(820)	(820)	0		
CORP2	Teachers pension grant funding	(1,500)	(1,500)	0		Funding received in full
	<b>LSE Totals</b>	<b>(3,172)</b>	<b>(2,812)</b>	<b>360</b>		
<b>Ref</b>	<b>Infrastructure &amp; Place</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>		<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>		

C&P1	Savings from the disposal of street sweepings through Silbuster recycling plant	(20)	(20)	0	Achievable
C&P2	Fees & charges - Uplift in garden waste collection costs 10%.	(75)	(75)	0	Prices increased, indications are that target will be met.
C&P3	Waste and street services - Restructure to reduce staff costs and not replace frozen post	(50)	(50)	0	Post removed - achieved
C&P5	Reduce EPA numbers to reflect uptake of Town Team approach	(25)	(25)	0	Post removed - achieved
C&P6	Remove Council Car	(8)	(8)	0	Car returned last year - achieved
C&P10	Review the provision of small vehicle home to school transport contracts with a view to bringing in house	(93)	(93)	0	Even though pressure overall in PTU this change has generated the required saving.
C&P11	Increase the cost of concessionary transport seats from £440 to £484 (10% uplift)	(3)	(3)	0	Prices increased, assume that target will be met.
C&P12	Decarbonisation - Increase renewable energy generation opportunities across our estate to reduce demand on grid supply	(50)	(50)	0	Updated forecasts now show that the generation target will be met.
C&P14	Planning income target increased	(50)	0	50	Forecasts are indicating that our planning fees will not increase enough to hit this saving target.
C&P16	Fees & Charges - Increase fees by 10% for street naming and numbering, licences, road closures and S.38 inspections	(33)	(33)	0	Prices increased, assume that target will be met.
C&P18	10% Uplift in Car Parking Charges	(66)	(66)	0	Prices increased, assume that target will be met.



C&P20	Fees & charges - Increase SAB pre-application charges by 10% and increase the income target to reflect increased service uptake	(2)	(2)	0	Prices increased, assume that target will be met.
C&P21	Fees & Charges - Increase SAB application budgeted income target by £25k each year for the next two years	(25)	(15)	10	Forecasts are predicting that only £15k will be achieved this year due to reduced applications.
Energy	Year-on-year change in energy cost	3	3	0	
C&P22	Fees & Charges - Trade waste fees, sale of bags & bins etc... 10%	(30)	(30)	0	Prices increased, assume that target will be met.
C&P23	Homelessness - Rapid rehousing transition - reduce the number in unsuitable and costly accommodation	(400)	0	400	Change of use planning now approved but delay has meant occupancy will not start until late March 2025 creating a £400k shortfall. This pressure has been part offset by windfall grant funding within the wider Housing budget.
	<b>I&amp;P Total</b>	<b>(927)</b>	<b>(467)</b>	<b>460</b>	
<b>Ref</b>	<b>Customer, Culture and Wellbeing</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>	<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	
ML1	Realign services within the Town/Market Hall in Abergavenny to improve their potential and ensure continued service delivery	(20)	(20)	0	Achieved.
ML2	Museums - Close Abergavenny and Chepstow museums an additional day a week and review business support	(40)	(10)	30	Delayed restructure has lead to the sections inability to achieve the full savings , restructure has been completed Jan 2025.

ML3	Close Old Station Tintern for one day a week on Mondays from 1st April 2024, except for four bank holidays	(10)	(10)	0	Achieved.
ML4	Attractions - To use £60k from SPF grants for 2024/25 to cover core staffing whilst delivering Today's Heritage Tomorrow and Creative Futures.	(60)	(60)	0	Achieved.
ML5	Countryside & Culture - Additional income for additional project management and project delivery costs from grants assumption of £25k	(25)	(25)	0	Achieved.
ML6	Countryside Access Income Generation - realign the Countryside Access team to maximise the ability to recover project management and related costs from project budgets and increase income generation.	(35)	(35)	0	Achieved.
ML7	Countryside & Culture - Stop contributing to Abergavenny TIC as part of Market Hall reconfiguration.	(10)	(10)	0	Achieved.
ML8	Countryside & Culture – Recover officer time and project management costs directly associated with the delivery of section 106 funded green infrastructure and recreation schemes.	(15)	(15)	0	Achieved.
ML9	Leisure, Sports & Outdoor Adventure - Move to cost neutral services, creating a multi-function site with re-engage PRU and social services	(70)	(70)	0	Achieved.

ML10	Leisure centres - Change closing times - Weekday Closing 21:30 weekend closure 16:30	(140)	(140)	0	Achieved.
ML11	Reduced Youth club provision - Explore alternative delivery models for open access youth provision, including community youth clubs	(20)	(20)	0	Achieved.
ML12	Marketing and Memberships Service Redesign - achieve efficiencies by realigning services between departments, reviewing and realigning posts and enhancing the front-of house software provision for collecting membership payments.	(50)	(50)	0	Achieved.
ML13	High level management restructure – Area management model	(120)	(32)	88	In progress, delay to structure implementation due to consultation - Income generation will offset shortfall in staffing savings
Energy	Year-on-year change in energy cost	(437)	(437)	0	Controlled corporately - All pool covers installed.
F&C's	Increase in fees and charges for discretionary services in line with the increase costs of delivering these services	(27)	(27)	0	Prices increased and income achieved.
<b>CCW total</b>		<b>(1,079)</b>	<b>(961)</b>	<b>118</b>	
<b>Ref</b>	<b>People, Performance and Partnerships</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>	<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>	

CEO2	Policy - Training & Workforce Development - Staffing re-alignment (£65k) Partnership working in online training delivery (£10.5k)	(76)	(76)	0		Post removed - achieved
CEO3	Payroll & HR - Release of contingency budgets for implementation of e-recruitment	(10)	(10)	0		Achieved
	<b>PPP Totals</b>	<b>(86)</b>	<b>(86)</b>	<b>0</b>		
<b>Ref</b>	<b>Law &amp; Governance</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>		<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>		
LG2	Vacancy Freeze - Paralegal post	(33)	(33)	0		Post frozen - achieved
	<b>LG Totals</b>	<b>(33)</b>	<b>(33)</b>	<b>0</b>		
<b>Ref</b>	<b>Resources</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>		<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>		
RES1	Commercial Investments – Reversal of income pressure to reflect the forecast improvement in rental income across the commercial investment portfolio (excludes NLP and Castlegate)	(208)	(150)	58		Forecasts at update 3 indicate that full savings will not be achieved.

RES2	Income - industrial units, cemeteries, County farms - consistently exceeded their income targets over the last number of years, so budgets are being increased to reflect this	(100)	(100)	0		This will be achieved across all sites.
RES3	Property services - Gwent police collaboration - Increasing Income to reflect projections	(50)	(50)	0		Indications are that this will be achieved.
Energy	Year-on-year change in energy cost	(220)	(220)	0		
RES5	SRS Contribution reduction following identification of efficiency savings	(17)	(8)	9		Updated figures from SRS indicate that we will not make all of this saving due to increases in licences fees and firewall costs.
	<b>Resources Totals</b>	<b>(595)</b>	<b>(528)</b>	<b>67</b>		
Ref	<b>Corporate Costs &amp; Levies</b>	<b>Total Saving / Recovery</b>	<b>Update 3 Forecast</b>	<b>Variance</b>		<b>Comment</b>
		<b>£000</b>	<b>£000</b>	<b>£000</b>		
CORP3	Fire SCAPE pension	(77)	(77)	0		Funding received in full
	<b>Corporate Costs &amp; Levies Totals</b>	<b>(77)</b>	<b>(77)</b>	<b>0</b>		

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School reserve balances forecast - Update 3

Appendix 3

	Opening Reserves 2024-25 (Surplus)/Deficit	In Year position at Update 3 (Surplus)/Deficit	Projected carry forward at year end 2024-25 (Surplus)/Deficit
<b>Abergavenny cluster</b>			
King Henry 3-19 School	329,196	1,055,645	1,384,841
Cantref Primary School	(110,417)	46,623	(63,794)
Gilwern Primary School	22,923	46,032	68,955
Goytre Fawr Primary School	(7,344)	22,644	15,300
Llanfoist Fawr Primary School	(125,485)	52,478	(73,007)
Llantillio Pertholey CiW Primary School (VC)	(60,748)	76,018	15,270
Llanvihangel Crucorney Primary School	(96,867)	38,442	(58,425)
Our Lady and St Michael ´s RC Primary School (VA)	21,255	60,587	81,842
Ysgol Gymraeg Y Fenni	170,465	193,068	363,533
<b>Caldicot cluster</b>			
Caldicot School	352,437	295,300	647,737
Archbishop Rowan Williams CiW Primary School (VA)	(26,821)	(20,439)	(47,260)
Castle Park Primary School	(75,047)	88,898	13,851
Dewstow Primary School	(57,559)	61,409	3,850
Durand Primary School	(58,704)	29,349	(29,354)
Magor CiW Primary School (VA)	(161,519)	18,624	(142,895)
Rogiet Primary School	65,421	102,016	167,437
Undy Primary School	(141,509)	147,807	6,298
Ysgol Gymraeg Y Ffin	16,663	52,311	68,974
<b>Chepstow cluster</b>			
Chepstow School	853,038	535,101	1,388,139
Pembroke Primary School	(171,076)	(11,470)	(182,546)
Shirenewton Primary School	(129,943)	52,396	(77,547)
St Mary ´s Chepstow RC Primary School (VA)	(70,003)	63,997	(6,006)
The Dell Primary School	80,993	79,662	160,655
Thornwell Primary School	95,190	84,502	179,692
<b>Monmouth cluster</b>			
Monmouth Comprehensive	(229,657)	499,478	269,821
Cross Ash Primary School	(58,467)	60,135	1,668
Kymin View Primary School	(76,867)	101,247	24,380
Llandogo Primary School	(17,655)	38,891	21,236
Osbaston CiW Primary School (VC)	73,488	10,151	83,639
Overmonnow Primary School	124,404	144,456	268,860
Raglan CiW Primary School (VC)	(175,381)	83,433	(91,948)
Trellech Primary School	(100,053)	41,274	(58,779)
Usk CiW Primary School (VC)	(91,419)	131,961	40,542
Ysgol y Trefynwy	0	69,189	69,189
<b>Special School</b>			
PRU	740,715	888,976	1,629,691
<b>Total</b>	<b>903,647</b>	<b>5,240,192</b>	<b>6,143,839</b>

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## Monmouthshire's Scrutiny Forward Work Programme 2024-25

Performance and Overview Scrutiny Committee				
(Meetings at 10am unless stated otherwise)				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
11 <sup>th</sup> February 2025	<b>Revenue and Capital Budget Proposals</b>	To scrutinise the 2025/26 Draft Revenue and Capital Budget Proposals.	Jonathan Davies Peter Davies Cllr Callard <i>Cllr Chandler</i>	Budget Monitoring
	<b>Financial Update 3</b>	To scrutinise the budgetary position (revenue and capital) for services falling within the committee's remit.	Jonathan Davies Peter Davies Cllr Callard	Budget Monitoring
11 <sup>th</sup> March 2025				
29 <sup>th</sup> April 2025				
10 <sup>th</sup> June 2025	<b>Welsh Language Annual Report 24-25</b>	To scrutinise the Council's performance.	Nia Roberts Pennie Walker Cllr Sandles	Performance Monitoring
	<b>Alternative Learning Provision / Specialist Resource Bases</b>	Follow up from May 24 report: Scrutiny of MCC Alternative Learning Provision/Specialist Resource Bases.	Morwenna Wagstaff Will McLean Cllr Groucott	Performance Reporting
15 <sup>th</sup> July 2025	<b>Strategic Equality Plan 24/25 Monitoring Report</b>	To scrutinise the Council's progress.	Pennie Walker Matt Gatehouse Cllr Sandles	Policy Development
23 <sup>rd</sup> September 2025				
18 <sup>th</sup> November 2025 (provisional)	<b>Complaints Process</b>	To scrutinise the performance of the Council's complaints process, and issues raised by it.	Annette Evans Cllr Sandles	Performance Monitoring

## Monmouthshire's Scrutiny Forward Work Programme 2024-25

Performance and Overview Scrutiny Committee				
(Meetings at 10am unless stated otherwise)				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
<b>To be confirmed</b>	<b>Recruitment and retention</b>	Effect on the Council's performance and ability to deliver.		
<b>To be confirmed</b>	<b>Use of Reserves</b>	Future proofing and resilience planning as well as supporting long-term strategic priorities.	Peter Davies Jonathan Davies Cllr Callard	
<b>To be confirmed</b>	<b>Social Care – prevention and resilience</b>	To explore more can be done to build prevention and resilience re: life expectancy vs. healthy life expectancy	Jane Rodgers Cllr Chandler	
<b>To be confirmed (Summer 25)</b>	<b>Self-Assessment 24/25</b>	To scrutinise the self-assessment and identify areas for further scrutiny.	Richard Jones Hannah Carter	Performance Reporting
<b>To be confirmed (Summer 25)</b>	<b>Public Protection Performance 24/25</b>	To review the performance of the service area.	Alun Thomas Huw Owen Cllr Sandles	Performance Monitoring
<b>To be confirmed (Summer 25)</b>	<b>Registration Services Annual Report 24/25</b>	To review the performance of the service area.	Jennifer Walton Cllr Sandles	Performance Monitoring
<b>To be confirmed (Autumn 25)</b>	<b>Chief Officer for Social Care Annual Monitoring Report</b>	To scrutinise the progress and strategic direction for the service area.	Jane Rodgers Cllr Chandler	Performance Reporting
<b>To be confirmed (Autumn 25)</b>	<b>Safeguarding Annual Report</b>	To scrutinise the performance of safeguarding arrangements.	Jane Rodgers Cllr Chandler	Performance Reporting
<b>To be confirmed (Autumn 25)</b>	<b>Socially Responsible Procurement strategy</b>	To review progress of the strategy.	Gemma Ellis Scott James	Performance Monitoring

## Monmouthshire's Scrutiny Forward Work Programme 2024-25

Performance and Overview Scrutiny Committee <span style="float: right;">(Meetings at 10am unless stated otherwise)</span>				
Meeting Date	Subject	Purpose of Scrutiny	Responsibility	Type of Scrutiny
			John Paxton Cath Fallon Cllr Brocklesby	
<b>To be confirmed (Autumn 25)</b>	<b>Revised NEET Reduction Strategy</b>	To scrutinise the revised strategy prior to Cabinet decision.	Hannah Jones Louise Wilce Cllr Griffiths	Performance Monitoring / Policy Development
<b>To be confirmed (Autumn 25)</b>	<b>WESP (Welsh in Education Strategic Plan)</b>	To scrutinise performance against the plans.	Sharon Randall Smith Will McLean Cllr Groucott	Performance Monitoring
<b>To be confirmed (Autumn 25)</b>	<b>Planning Annual Performance Report</b>	Scrutiny of the annual performance report prior to submission to Welsh Government.	Philip Thomas Craig O'Connor Cllr Griffiths	Performance Monitoring
<b>Corporate and Community Plan Items for the Committee's consideration for inclusion into the P&amp;O Scrutiny Forward Plan:</b>				
<b>Social Justice Strategy progress</b>				
<b>Business Monmouthshire Project monitoring</b>				
<b>'Learning led' review of educational</b>				

## Monmouthshire's Scrutiny Forward Work Programme 2024-25

Performance and Overview Scrutiny Committee					(Meetings at 10am unless stated otherwise)				
Meeting Date	Subject	Purpose of Scrutiny			Responsibility	Type of Scrutiny			
provision in Chepstow									
Review of Property Assets									

## Performance and Overview Scrutiny Committee

### Action List

3<sup>rd</sup> December 2024

<b>Minute Item:</b>	<b>Subject</b>	<b>Officer / Member</b>	<b>Outcome</b>
3.	To provide a written response detailing leisure centre memberships, facilities available and site investments across the county	Stacey Jones	

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Committee / Decision Maker	Meeting date / Decision due	Report Title	Cabinet member	Purpose	Author	Date item added to the planner
Council	01-Jul-25	RLDP for Adoption	Paul Griffiths - Sustainable Economy	To adopt the RLDP following receipt of the Inspector's report, making it the County's Development Plan as defined by S38(6) of the Planning and Compulsory Purchase Act 2004	Mark Hand / Rachel Lewis	23-Aug-22
Cabinet	05-May-25	Pavement Café Policy	Paul Griffiths - Sustainable Economy	To adopt the pavement café policy as the basis for making decisions on applications for licences	Mark Hand / Paul Keeble	4-Oct-22
ICMD	09-Apr-25	Welsh Church Fund Working Group - meeting 4	Ben Callard - Resources			
Council	06-Mar-25	Appointment of Chief Officer - Head of Transport - Exempt info	Catrin Maby - Climate Change and Environment		Deb Hill Howells	21-Jan-25
Council	06-Mar-25	Publication of the Councils Pay Policy	Ben Callard - Resources	To approve the publication of Monmouthshire County Council's Pay Policy, in compliance with the Localism Act.	Matt Gatehouse / Pip Green	17-Jan-25
Council	06-Mar-25	Contract Procedure Rules	Ben Callard - Resources		Scott James	9-Jan-25
Council	06-Mar-25	2025/26 Final Budget sign off including CT resolution	Ben Callard - Resources		Jon Davies	13-Jun-24
Council	06-Mar-25	2025/26 Capital Strategy & Treasury Strategy	Ben Callard - Resources		Jon Davies	13-Jun-24
Cabinet	05-Mar-25	Approval of a Discretionary Policy for Council Tax Premiums	Ben Callard - Resources		Ruth Donovan	27-Jan-25
Cabinet	05-Mar-25	2025/26 Final Revenue and Capital Budget Proposals	Ben Callard - Resources		Jon Davies	4-Jun-24

Cabinet	05-Mar-25	2024/25 Revenue and Capital Monitoring Month 9	Ben Callard - Resources		Jon Davies	4-Jun-24
Cabinet	05-Mar-25	2025/26 WCF/Mon Farm Strategy	Ben Callard - Resources		Jon Davies	4-Jun-24
Cabinet	19-Feb-25	UK Shared Prosperity Fund post March 2025 – financial implications and impact	Paul Griffiths - Sustainable Economy		Hannah Jones	10-Jul-24
ICMD	29-Jan-25	2025/26 Community Council and Police Precepts final	Ben Callard - Resources		Jon Davies	17-Dec-24
Council	23-Jan-25	Council Diary 2025/26	Angela Sandles - Engagement		John Pearson	
Council	23-Jan-25	GWENT REGIONAL PARTNERSHIP BOARD (RPB) AREA PLAN AND RPB ANNUAL REPORT 23/24	Ian Chandler - Social Care & Safeguarding		Natasha Harris (Torfaen)	
Council	23-Jan-25	Council Tax Reduction Scheme 2025/26	Ben Callard - Resources		Jon Davies	13-Jun-24
Cabinet	22-Jan-25	Business case for the purchase of a property in Abergavenny to develop supported accommodation for care experienced young people	Ben Callard - Resources		Jane Rogers	7-Jan-25
Cabinet	22-Jan-25	2025/26 Draft Revenue and Capital Budget Proposals	Ben Callard - Resources		Jon Davies	4-Jun-24
Cabinet	22-Jan-25	Education Middle Tier	Martyn Groucutt - Education		Will McLean	20-Nov-24



## Monmouthshire Select Committee Minutes

Meeting of Performance and Overview Scrutiny Committee held at Council Chamber, County Hall, The Rhadyr USK on Tuesday, 19th November, 2024 at 10.00 am

### Councillors Present

County Councillor Alistair Neill (Chair)  
County Councillors: John Crook, Meirion Howells, Paul Pavia, Peter Strong, Ann Webb, Su McConnel, Mary Ann Brocklesby, Emma Bryn, Tony Easson, Martyn Groucutt, Phil Murphy, Maureen Powell and Sue Riley

### Officers in Attendance

Hazel Ilett, Scrutiny Manager  
Robert McGowan, Policy and Scrutiny Officer  
Will McLean, Chief Officer for Children and Young People  
Matthew Gatehouse, Chief Officer People, Performance and Partnerships.  
Richard Jones, Performance and Data Insight Manager  
Hannah Carter, Performance Analyst  
Craig O'Connor, Chief Officer, Place  
Keeva McDermott, Vulnerable Learners Lead  
Andrew Jones, Development Management Area Team Manager  
Amy Longford, Head of Planning  
Philip Thomas, Development Services Manager

**APOLOGIES:** Councillors Jill Bond, Steven Garratt and Rachel Garrick

#### 1. Declarations of Interest

None.

#### 2. Public Open Forum

None.

#### 3. School Exclusions

Cabinet Member Martyn Groucott and Morwenna Wagstaff introduced the report. Dr Wagstaff answered the members' questions with Keeva McDermott:

- The Chair asked for clarity between the numbers of children excluded in 5.2 and 5.3 of the report. It was clarified that the table in the report refers to instances of fixed-term exclusions, which can range from half a day to a longer period. The number 520 represents the unique learners who experienced exclusions, while the 1810 instances include repeat exclusions for some learners. Therefore, some children had multiple exclusions, leading to the higher number of instances.
- A member asked for how long problems can be attributed to the pandemic, and if the problem will be generational. Dr Wagstaff emphasised the anxiety and stress caused by the pandemic and explained that, for children, its impact varied depending on their age and the protective factors in their lives. The pandemic

disrupted key developmental stages, affecting social skills, emotional regulation, and behaviour. While the hope is that the impact will phase out, some children, especially the more vulnerable, may experience long-lasting effects.

- It was asked if the number of FSM children who are currently absent on any given day (1 in 4) might get worse. Dr Wagstaff noted that many children who were educated at home during the pandemic now find it challenging to return to the busy and noisy school environment, and some children, particularly those with complex needs or barriers to learning, preferred the online learning style and find it difficult to re-acclimate to traditional schooling. There has been an increase in the population of children receiving education other than at school (EOTAS) due to mental health and emotional needs, particularly anxiety about attending school. The hope is to enable these children to move on to positive post-school options and prevent them from becoming not in education, employment, or training (NEET).
- A member asked if it would be possible to have a detailed breakdown of exclusions by school, including the stories behind them, possibly in a closed session. It was explained that while detailed breakdowns of exclusions by school are scrutinised through various checks and balances, including Pupil Disciplinary Committee meetings and independent appeals, sharing such detailed information publicly could risk identifying individuals. However, it might be possible to provide this information in a closed session for scrutiny purposes. The Chair suggested that for a particular concern, members pick up directly with the team.
- Clarity was sought about the connection between the appointment of the CYP Data officer and exclusions. It was clarified that the appointment of the Data Officer has improved the capture and use of data around exclusions, making the recording process more robust and streamlined. A lot of work has gone into how reintegration is managed safely, using learner behaviour risk assessments.
- Further detail was sought about managing pupils coming back mainstream education from the Pupil Referral Unit, especially given the reductions in school staff. It was explained that a comprehensive risk assessment and management process is in place. This involves multi-agency collaboration to ensure that the risk has been sufficiently reduced before reintegration. The process includes phased returns, increased support during high-risk times, and continuous monitoring to ensure safety and well-being.
- A member asked about the availability of data prior to 2021 and national comparable data. The officer explained that national comparable data is provided by Welsh Government, but it is typically a year and a bit in arrears. The local authority also looks at comparison with consortia partners, but consent to share this data was not obtained from other partners. Therefore, the most recent national data is not yet available for the period in question.
- It was asked if it is possible to quantify the long-term cost of an exclusion, and therefore quantify the savings made by an intervention. Officers responded that Welsh Government's three-year trend data is still incomplete for the period in question so it is challenging to provide a comprehensive analysis. The analysis of exclusion data involves looking not just at the exclusion numbers but considering internal sanctions that might not be recorded in the same way but still affect the child's education. NEET data is not readily available and would be difficult to ascertain. However, efforts are being made to consider various pathways and

mixed offers to prevent exclusions and support reintegration, though there are challenges in resourcing, such as reduced support for work experience.

- A member asked if there is a profile over time looking at issues that were underpinning even before the pandemic, such as adverse childhood experiences, neurodevelopmental challenges, etc. Dr Wagstaff explained that the data analysis is now more robust, and the local authority monitors and has a strong profile of vulnerable learners, including those with barriers to learning, additional learning needs, contact with social care, and those living in poverty. The analysis reflects that these groups are more likely to be excluded, and there is a focus on ensuring schools make reasonable adjustments to support these learners.
- It was further asked about the viability of the additional capacity to support pupils, families, and schools given the significant deficit for the Pupil Referral Unit. Dr Wagstaff responded that the capacity of the PRU has been a concern, with the population within the units doubling. The local authority is responding by increasing capacity and moving into new bases to provide better provision. The aim is to offer preventative interventions to avoid permanent exclusions and manage reintegration safely.
- Clarity was sought about the authority's offer for education other than in school (EOTAS). The EOTAS offer is broad and complex, including PRU, medical provision for children too unwell to attend school, and small group learning. The provision is person-centred and varies based on the child's needs, with the aim always being to reintegrate the child back into school.
- It was asked if the quality assurance procedures for EOTAS stand up to the rigour mentioned in the Estyn report. Dr Wagstaff explained that the local authority has developed more robust quality assurance processes for EOTAS, including a commissioning officer and a structured review cycle. There is ongoing work to ensure the provision meets the needs of learners and complies with the ALN Act requirements.
- A member asked how much capacity there is within the schools for children to be excluded from the classroom but still kept in the school, being taught within the school, rather than being excluded and sent home. The officers explained that schools have various interventions and provisions for children excluded from the classroom but still within the school. This includes emotional literacy support assistants, in-house support, and other targeted support to address specific needs. The approach varies by school, and there is an expectation that schools make reasonable adjustments to support these learners.
- A member asked how the authority ensures the welfare of staff who are dealing with risky, disruptive behaviour and distress from vulnerable children. The officers explained that the welfare of staff is a significant focus, with various projects and pilots in place to support their well-being, including supervision pilots. The health and safety of staff are considered in risk assessments and reintegration plans for students. The local authority acknowledges the impact on staff and works to ensure their safety and well-being through comprehensive processes and support mechanisms.

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

Members expressed gratitude about the usefulness of the recent Members' Seminar on this topic and thanked staff in all schools for their work. The Chair noted that the

skillsets required for staff now are broader and more complex than previously, and recognised the difficult judgements Heads need to make regarding exclusions. He wishes to remind all parents that the best place for their child is in school, particularly given the high correlation between complex problems in life and non-attendance. The report and recommendations were moved.

#### **4. Planning Annual Performance Report**

Phil Thomas delivered a presentation, introduced the report and answered the members' questions with Craig O'Connor and Andrew Jones:

- Members asked about the timescale for digitising all the microfiches and tree records and were advised that the digitisation process is quite complicated and largely dependent on budget constraints. The process may take a few years to complete and that there is no definite timeline at the moment. The process might be expedited if secure funding through the migration of Land Registry data could be secured, but this is not guaranteed.
- A member enquired about the figures and percentages related to the pre-application advice service, noting its potential as a revenue earner and was advised that during the period 2023-2024, they closed 263 applications seeking pre-application advice and received 282 new submissions. Of those that had pre-application advice, 35 led to planning applications, with 34 approved and one withdrawn, resulting in a 100% success rate. The revenue from this service was around £55,000.
- Concern was expressed about the low percentage (4.5%) of enforcement cases resulting in notices served, out of 286 cases. Officers explained that enforcement action is only taken for serious breaches of planning control in the public interest. Many breaches are resolved through negotiation or retrospective planning applications, and some cases do not warrant enforcement action due to minor breaches or lack of expediency. Informal negotiations often resolve breaches without the need for formal notices, and all decisions go through a delegated panel process for scrutiny.
- A member asked about the target for member decisions against officers' recommendations, noting that the target was less than 5% and enquiring what "good" would look like in this context. Officers explained that the target of less than 5% is set by Welsh Government, and the range of 5-9% is considered fair. They emphasised that planning officers and committee members should generally align in their decisions, but acknowledged that the Planning Committee exists to make balanced judgments in the public interest. They noted that the current figure of 6% sits comfortably within the fair range and reflects the collaborative working between officers and committee members.
- A member suggested improving public understanding of how planning works, possibly through a statement at the beginning of each planning meeting. Officers acknowledged the complexity of planning processes and the need for better communication. They mentioned that there is a preamble in the agenda with key principles and policies, but agreed to take the suggestion away and consider how to make the information more concise and accessible to the public.
- A question was asked about the £800,000 collected in fees and how often this is reviewed. Members were advised that the fee structure and planning services are currently under review by Welsh Government, with a consultation running

until January 17<sup>th</sup>. This review aims to make planning services more resilient and cost recoverable.

- An enquiry was made about the low action rate (4.5%) from 286 enforcement complaints and whether this highlights the need for improved training for Community and Town Councils. Officers explained that many enforcement cases are resolved through informal negotiation or retrospective planning applications, and only serious breaches result in formal notices. They emphasised the importance of communication and training for Community and Town Councils to better understand the enforcement process.
- A question was asked about the sources of enforcement reports and whether the current level of reporting is appropriate. Officers stated that reports come from a mix of residents, town councils, and county councillors. They noted that the current level of reporting is manageable and necessary to address various concerns, even if some cases do not result in formal enforcement action.
- A member asked about benchmarking, noting the absence of national figures from Welsh Government and suggesting the need for a more standardised approach to data collection and benchmarking across local authorities. Officers acknowledged the frustration with the lack of benchmarking data since 2019 and explained that Welsh Government is currently consulting on a new planning performance framework. They mentioned that the Council has continued to review its performance annually despite the lack of statutory requirement and expressed hope that the new framework would address benchmarking issues. The Chair will consider a way to push for more benchmarking data to be made available to officers and members – **ACTION**
- Concerns were raised about the capacity for enforcement and the need for improved communication with Community and Town Councils. Officers acknowledged the need for better communication and training for Community and Town Councils. They emphasised the importance of explaining the enforcement process and the legal complexities involved. They also mentioned the action plan to improve these relationships and provide updated training.
- A member suggested setting a day to invite members of Community and Town Councils for a session to improve understanding and communication. The suggestion was well-received, and it was agreed that organising such sessions could be an effective way to disseminate information and improve the understanding of planning processes among Community and Town Councils.
- It was questioned whether service users are encouraged to provide formal feedback or if feedback is primarily received in the form of customer complaints. Officers explained that while they used to have a customer feedback form, it was discontinued due to a low response rate. However, they do receive both positive and negative feedback through complaints and compliments. They mentioned that they are considering reintroducing a feedback mechanism, possibly by sending out questionnaires with decision notices.

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

The Chair acknowledged the good performance in several areas, including the high percentage of applications determined within eight weeks (93%), the high approval rate of applications (97%), and the success of the pre-application advice service (100% approval for those who followed the advice). He emphasised the importance of

improving communication and relationships with Community and Town Councils, particularly regarding enforcement. He also highlighted the gap between public expectations and the actual enforcement process, stressing the need for better explanation and transparency. The Chair highlighted the need for better customer feedback mechanisms and the importance of benchmarking against other authorities and suggested exploring peer-to-peer reviews and sharing performance data with neighbouring authorities to improve transparency and performance evaluation.

The committee supports the plan to improve communication and provide updated training for Community and Town Councils and suggests organising sessions to invite members of these councils to improve understanding and dissemination of information. The committee wished to thank the officers for the reports and for the team's continuing hard work.

## **5. Community & Corporate Plan progress update**

Leader Mary-Ann Brocklesby introduced the report and answered the members' questions with Richard Jones and Matthew Gatehouse:

- The Chair asked if more could be done to remove the perception of the Council 'marking its own scorecard', given the lack of benchmark information and regional or national comparisons in the report. He asked further if neighbouring authorities could form working clusters. Councillor Brocklesby acknowledged the need for benchmarking and agreed that it is important to include such comparisons where data is available. She mentioned that the Council is committed to improving this aspect and highlighted the upcoming peer assessment in 2025, which will provide an objective external evaluation. She also noted that the Council is already engaging in cross-learning with neighbouring councils and looking at ways to improve data management and analysis.
- An explanation was sought for the number of businesses assisted declining by 75%. It was explained that this is primarily due to the reporting period: the current figure of 42 businesses covers only six months, whereas the previous period's figure was an annual total for the full 12 months of 23-24. However, even if the current six-month figure is projected forward, it would still be lower than the target but, in any case, it is expected that the number will increase by the end of the full year, making the comparison more meaningful. The progress update acknowledges the ongoing efforts to support businesses and plans to continue these efforts in the next six months.
- A member asked why the work that Monmouthshire Partnerships is doing with the three farms on regenerative farming was not included in the report. The officer responded that while the work on regenerative farming is important, the report focused on significant areas related to the measurement framework. He assured members that the outcomes from the regenerative farming project would be included in future reports, particularly in the self-assessment report at the year-end.
- The Chair enquired as to whether there was any understanding of why Free School Meals uptake is lower in areas of deprivation. The officer acknowledged the question and mentioned that the team is monitoring and tracking the uptake of free school meals. He suggested that the relevant team would be best placed

to provide a fuller understanding of the reasons behind the lower uptake in areas of deprivation – **ACTION**

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

The Chair highlighted the need for benchmarking information, whether regional or national, to provide a more objective view of the Council's performance, emphasising the importance of removing the perception that the Council is marking its own scorecard, and reiterating the idea of exploring peer reviews with neighbouring authorities. He appreciated the Leader's engagement on this matter and acknowledged the ongoing efforts to work more closely with other councils and share best practices. The Chair thanked the Leader and officers, and moved the report.

### **6. Performance and Overview Scrutiny Committee Forward Work Programme 2024 and Action List**

Officers noted that the first point in the Action List has been addressed, with the amount of Consultancy spend clarified as being £1,277,584 for 2023-24. Members were reminded about invitations to briefing sessions on Corporate Insurance and Emergency Planning on 28<sup>th</sup> November and 15<sup>th</sup> January, respectively.

### **7. Cabinet and Council Planner**

### **8. To confirm the minutes of previous meetings:**

- 7<sup>th</sup> October 2024 (Special)
- 8<sup>th</sup> October 2024 (Special)
- 15<sup>th</sup> October 2024

The minutes were agreed.

### **9. Next Meeting:**

3rd December 2024.

The meeting ended at **1.17 pm**.

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## Monmouthshire Select Committee Minutes

**Meeting of Performance and Overview Scrutiny Committee held at The Council Chamber, County Hall, Rhadyr, Usk, NP15 1GA with remote attendance on Tuesday, 3rd December, 2024 at 10.00 am**

### Councillors Present

County Councillor Alistair Neill (Chair)  
County Councillors: Jill Bond, Rachel Buckler, John Crook, Steven Garratt, Meirion Howells, Alistair Neill, Paul Pavia, Peter Strong, Maureen Powell  
Also in attendance County Councillors:  
Ben Callard, Ian Chandler and Martyn Groucutt

### Officers in Attendance

Hazel Ilett, Scrutiny Manager  
Robert McGowan, Policy and Scrutiny Officer  
Peter Davies, Acting Chief Executive  
Will McLean, Chief Officer for Children and Young People  
Richard Jones, Performance and Data Insight Manager  
Matthew Gatehouse, Chief Officer People, Performance and Partnerships.  
Jonathan Davies, Head of Finance  
Tyrone Stokes, Accountant  
Stacey Jones, Senior Accountant  
Dave Loder, Finance Manager  
Diane Corrister, Head of Children's Services  
Jenny Jenkins, Head of Adult Services

**APOLOGIES:** Councillor Ann Webb

#### **1. Apologies for Absence**

Ann Webb, Maureen Powell as substitute.

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

None.

#### **3. Financial Update**

Cabinet Member Ben Callard and Jonathan Davies introduced the report and answered the members' questions with Cabinet Member Ian Chandler, Nikki Wellington and Cabinet Member Martyn Groucott.

- A member asked about the steps being taken by the administration to prevent further financial deterioration and ensure a sustainable recovery, addressing structural issues such as schools' growing deficits and underfunded services. The Cabinet Member responded that the deficit is about 2% of the revenue budget. They are working with schools through recovery plans to manage the situation gradually. The administration is also looking to other areas of the authority to support increased demand in health and social care. They highlighted that the Council is working on a range of measures, including implementing a programme of change to address service delivery over the

medium to long term; working with schools on recovery plans to manage deficits gradually without causing a shock to the system; focusing on cost mitigation rather than immediate savings, with efforts to control the front door of services and manage care packages effectively; enhancing financial scrutiny measures and maintaining financial discipline across all services.

- The Committee asked for clarification on the financial risk and the measures being taken to address the budget deficit. The Cabinet Member for Social Care explained that the financial risk is secondary to the risk of harm and that the Council is spending the money required to provide care, which is why there is an overspend in social care. They explained that they are implementing measures to manage the situation, including controlling the front door and ensuring people are looked after in a way that manages their conditions.
- The Chair asked about the consistency between Risks 7 and 8 in the Risk Register specifying risk of harm to children and adults, and the council's approach to reducing overspend. The Cabinet Member clarified that the risk is not about the money being spent, as it is being spent, hence the £4m overspend in social care. The Cabinet Member for Social Care highlighted the efforts to manage care at the initial stages to prevent higher cost packages. The financial risk is considered secondary to the risk of harm, with the main focus being on preventing unnecessary harm to children and adults.
- A member asked about the number of schools close to deficit and why Pembroke Primary has a higher deficit than others. Officers advised that the deficits of all schools are outlined in Appendix 3 of the report and that Pembroke Primary's higher deficit is due to recent changes in staffing and additional learning needs income that has been allocated to support pupils.
- A member enquired about being creative with resources, specifically mentioning the example of Castle Park School and the use of resources on projects that may not be necessary at this time. The Cabinet Member responded that while the Council works hard to maximise the use of available resources, some funding is specifically allocated for certain projects, such as active travel, and cannot be redirected. It was also mentioned that the administration of these schemes is covered by the funding provided.
- A question was asked about the performance of leisure centres, specifically the membership relative to each town and the situation with Newport Leisure Park and Castle Gate. The Cabinet Member noted that MonLife is performing well and that membership data is available for all centres, acknowledging that Caldicot has the lowest membership and that the Council aims to improve facilities across all centres. Regarding Newport Leisure Park and Castle Gate, he mentioned that Newport Leisure Park is performing adequately, while Castle Gate remains a challenging asset to manage, but efforts are ongoing to increase occupancy. – **ACTION: to provide a written response in detail re: leisure centre memberships and investments**
- It was asked how many other schools will be in deficit in the coming years. The officer explained that it's too early to say. The team is working through the budgets with schools now, and once the 25-26 budgets are set, forecasts will be done with the schools. At this stage, officers are monitoring on a monthly basis.
- The Chair asked how schools manage deficits i.e. who provides bridging finance to the following year. Officers explained that schools manage their budgets independently, with head teachers and governing boards responsible for

approval and management. However, any deficit is absorbed by the Council's balance sheet, affecting the Council's overall financial resilience. Therefore, it is crucial to monitor and support schools' budget recovery plans. Significant efforts are being made to engage with schools in deficit, ensuring continuous discussions and monitoring.

- Clarity was sought as to how Newport Leisure Park and Castle Gate can be 'holding their own' if they have overspends? The Cabinet Member responded that the sites are not experiencing overspends but rather a shortfall in expected income. For example, if the forecasted income was £1m but the actual income was £950k, it would appear as a negative £50k in the budget. This shortfall is due to over-optimistic income projections, not an actual negative impact on the balance sheet.
- A question was asked about the measures being taken to mitigate supply teaching costs in schools, the Cabinet Member responding that supply teaching costs are a significant pressure on school budgets and that the Council is focusing on this area, and a piece of work is being conducted by the auditor to help support schools in managing these costs.
- The committee enquired about whether the increase in domiciliary care costs is related to improvements in the health board reducing bed blocking, and also asked if there is a risk of further increases and whether additional funding from the health board could be sought. The explanation given was that there has been a 10% increase in externally commissioned domiciliary care packages, resulting in an additional cost of £500k. The Cabinet Member for Social Care added that while there is an emphasis on improving pathways of care to get people out of hospitals, this does transfer the financial burden to local authorities. Discussions with the Welsh Government are ongoing to address this issue.
- A question was asked about the breakdown of children's placements and what measures are being taken to review and prevent future breakdowns. The response given was that each case of placement breakdown is reviewed to understand the reasons, which can include changes in the child's needs or the foster placement's circumstances. The Council aims to place children in the best possible environment and continuously reviews and learns from each case to improve future placements.
- A member asked about the Health Board avoiding its responsibilities for delivering health-based care, asking whether legal action or a judicial review should be considered to address this concern. The Cabinet Member for Social Care explained that if a person's primary care need is health-related, the Health Board should fund it, not the local authority. There are ongoing disputes with the Health Board over several cases, especially those where it's unclear whether the primary need is medical or personal care. While legal action or a judicial review hasn't been pursued yet, it hasn't been ruled out. The Health Board's significant budget deficit complicates negotiations. The goal is to ensure that individuals receive care smoothly, regardless of who pays for it. The local authority continues to provide care while negotiating cost responsibilities, even though the situation is not ideal.
- In light of the decision by Blaenau Gwent and Torfaen to share one Chief Executive Officer, it was enquired whether there have been any discussions with them during their discovery phase to explore opportunities for further collaboration, aiming to seek efficiencies, optimize resources, etc. The officer

responded that there have been discussions with neighbouring authorities and the wider region about exploring opportunities for further collaboration. It's important to actively discuss these options, but we must remember the unique differences across geography and demographics within Monmouthshire. While digital and technological advancements offer new opportunities for collaboration, it's crucial to be involved in these conversations from the beginning to ensure alignment and effectiveness.

- A member asked for clarification on the status of the Castle Park Primary School project, specifically regarding the allocation of Section 106 money and the issues that have delayed the project. The Cabinet Member for Education clarified that plans for the project are being drawn up and will be completed by the end of December. He explained that the project faced delays due to the discovery of asbestos panels, which had to be treated, but that the project is now back on schedule, and a timetable for completion will be established in January.
- A wording error in Appendix 1 was noted: in the bottom paragraph of Section 2, 'Care at home placements' should be 'Care home placements'. The Chair also noted a typo in the numbering of sections in the covering report.
- The committee enquired about the £2.3m in social care debt payments that have not been recovered, asking for details on the expected recovery amount, the processes for collecting this debt, and measures to prevent future accrual of such debt. The Cabinet Member explained that the Council has increased the bad debt provision by £20k, reflecting the amount they do not expect to recover. Officers commented that the finance team works closely with families and representatives to ensure financial assessments are done upfront and that the Council takes legal advice when necessary and is focused on improving the collection process to manage this debt effectively.
- A member asked about the additional learning needs (ALN) overspend of £510k, specifically seeking understanding of the £256k overspend on new starters in independent schools and any work being done to identify similar cases earlier. Officers explained that the overspend is due to pupils who were expected to leave school but continued their education, and new starters being educated other than at school, requiring bespoke support packages. The £256k overspend on new starters in independent schools is due to new pupils coming into the county that were not anticipated.
- The Chair asked how the Council plans to manage the rising overspend, given the rule against using reserves, and whether external support will be required. The Cabinet Member responded that the Council plans to manage the rising overspend by offsetting it with outperformance in other services, seen as effective budget management. The use of Treasury gains is considered a valid tool to protect services, even if short-term. The Council aims to avoid using reserves for recurrent expenditure. The overspend has increased by just under £1m from Month 3 to Month 6 but is expected to decrease towards the end of the year. There is a possibility of an in-year injection of funding from the government's budget in October, and the Council is pursuing in-year budget recovery measures to further reduce the overspend.
- The Chair asked if we are in discussions with auditors about how our financial resilience would be affected, were we to need to draw £5m out of reserves. The officer explained that Monmouthshire has been audited by Audit Wales regarding our financial sustainability, and the verdict was reasonably positive. The audit

highlighted the need for a clear path towards financial sustainability, acknowledging the budget gap over the medium term, which the medium-term financial strategy aims to address. If we end up with a bottom-line deficit at the end of the year, it will need to come from reserves, reducing our financial resilience. However, a local authority budget is complex and constantly changing, so flexibility and effective treasury management are crucial. We aim to make the best use of our cash funds to support service delivery and reduce borrowing costs.

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

The Chair thanked the members for their questions. He reiterated that there are no easy solutions to the challenges faced across the county, and thanked the Cabinet Members and officers for their report and responses. The report was moved.

### **4. Risk Register Update**

Cabinet Member Ben Callard introduced the report and answered the members' questions with Richard Jones, Matthew Gatehouse and Cabinet Member Ian Chandler.

- Members asked about the high number of risks (14 out of 16) being rated as high and whether the mitigations are effective or if they are being overly cautious. They also enquired about unforeseen risks and how they are managed in departmental risk registers. The officer explained that the risk levels are assessed pre-mitigation and that the post-mitigation scores reflect the anticipated impact of the mitigation actions. It was acknowledged that while some risks remain high, the Council is cautious and bases its assessments on evidence and referred to the introduction of Directorate Risk Registers to manage risks at a more detailed level.
- Members asked if unforeseen and unpredicted risks would now be added to each directorate's risk register and were advised that as much as they can foresee and have evidence for risks, they will be included in the Directorate Risk Registers. Officers emphasised that risk is an ever-changing field, and the Council aims to keep up to date with it.
- The committee asked about the financial sustainability and service delivery given the persistent financial pressures, overspending in social care, and educational deficits. They enquired about key areas where further action or alternative approaches might be required to close the gap. Officers, in responding, referred to the development of a medium-term financial strategy and a new budget monitoring process as key mitigating actions and also a programme of change looking at how the Council operates in the future.
- Questions were asked about workforce challenges and retention, particularly in social care and education, and whether there are contingency plans for high-risk roles or sectors if initiatives take longer to yield results. Officers explained the development of a new people strategy focused on recruitment and retention, including a new recruitment portal and website to attract talent and referred to proactive approaches being taken in social care to recruit qualified social workers.
- Members raised the rising demand and complexity of cases in social care for children and adults, and how the Council is ensuring measures to address

potential workforce and provider problems in the medium term. The Cabinet Member for Social Care detailed several initiatives, including a new strategy for children's placements, investment in recruiting foster carers, and a new commissioning strategy for domiciliary care. The challenges of a rising aging demographic and the need for long-term projects to extend healthy life expectancy was discussed.

- A member asked if children involved in care are always managed to stay in their own area and school, or if they ever have to be moved away and the Cabinet Member for Social Care responded that while the aspiration is to keep children local, it is not always possible due to a lack of placements and foster carers. Each case is assessed independently to determine what is in the best interest of the child, and sometimes it is necessary to move them out of the area.
- The Chair asked if Welsh Government's policy commitment to eliminate profit from the care of looked after children resulted in market instability, as suggested in the previous Risk report. The Cabinet Member for Social Care responded that the Welsh Government's policy to eliminate profit from the care of looked-after children is being embedded in the new Health And Social Care bill, which is currently under scrutiny in the Senedd. The Minister for Children & Social Care has provided clarity that the implementation timelines for this policy will be extended to ensure stability in the market. In response to this policy, the Council is taking steps to establish its own in-house children's homes and post-16 supported accommodations to reduce dependency on commercial providers, and is working on recruiting more in-house foster carers by reviewing fees and allowances to make this option more attractive. The situation is being monitored continuously, with no major impacts observed at the moment.
- The Chair asked how the levels of risk can be lower, e.g. Risk 2 down from 16 to 12, given the Council's deteriorating financial situation. The Cabinet Member responded that ongoing changes to high-risk services take time to implement. Despite the deteriorating financial situation, the risk level has been reduced from 16 to 12 due to several factors including the autumn budget's positive outlook for public service spending and the ongoing budget recovery and contingency measures. The risk assessment considers both current and future mitigation actions, and the situation is continuously monitored and reviewed.
- The Chair asked if the Welsh Government's policy to eliminate profit from the care of looked-after children resulted in market instability, as predicted. The Cabinet Member for Social Care responded that the policy is being embedded in the new Health and Social Care bill, with extended implementation timelines to ensure market stability. The Council is establishing in-house children's homes and post-16 supported accommodations and recruiting more in-house foster carers by reviewing fees and allowances. The situation is continuously monitored with no major impacts observed.
- The Chair also asked how risk levels can be lower despite the Council's deteriorating financial situation. The Cabinet Member explained that ongoing changes to high-risk services take time to implement. The risk level has been reduced from 16 to 12 due to factors like the Autumn budget's positive outlook for public service spending and ongoing budget recovery measures. The risk assessment considers current and future mitigation actions, with continuous monitoring and review.

- The committee questioned the capacity within the Social Care department to realise and undertake the work of reorganising service delivery models while dealing with the day job, asking if it is feasible moving forward or if external support would be needed. The Cabinet Member for Social Care responded that the capacity at the management level to manage change has been squeezed, but they have recruited a new service manager to manage the children's placement program. This has provided additional capacity and freed up the management team within children's services to work on other areas.
- A member raised the increased risk and sophistication of cyber-attacks from external actors and criminal gangs, particularly in the context of the social care supply chain providers of care, enquiring if the Council is doing enough to ensure that their supply chains are robust against potential cyber-attacks. Officers responded that the Council employs a head of cybersecurity who supports other public bodies in Southeast Wales and that when entering into contractual arrangements with new suppliers, an assessment of their information governance arrangements is part of the process. Members were advised the Council has support and guidance available for suppliers, and they have information governance groups and backup systems to minimise the risk from cyber-attacks.

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

The Chair thanked the Cabinet Members and officers for their responses. The report was moved.

### **5. Secondary Schools Leadership Funding**

Cabinet Member Martyn Groucott and Nicola Wellington introduced the report and answered the members' questions.

- A member asked how the King Henry VIII primary phase budget relates to other primaries in Monmouthshire. The officer explained that the funding for the King Henry VIII primary phase is equivalent to that of other primary schools of similar size in Monmouthshire. The head teacher and governing body are responsible for structuring the leadership team. While the funding is the same, potential savings could come from not needing two head teachers, as the school can look at its structure to identify any possible savings.
- A member asked about the measures being put in place to ensure that reductions in leadership resources at Chepstow School do not disproportionately impact vulnerable groups, including pupils with disabilities and those from disadvantaged backgrounds. It was explained that transitional funding has been put in place to ensure a staged process into the reduced funding. Chepstow School is looking at ways to support their learners more cost-effectively. The school currently has the largest leadership group among the four secondary schools, and they are working on restructuring to manage the funding changes.
- A question was asked about how the long-term effect of these changes on outcomes is monitored, especially in Chepstow where funding is significantly reduced. The officer stated that the financial aspects of the funding changes will be closely monitored, and the educational outcomes will be overseen by the school improvement team within the Directorate. They will work together to

understand the impact of the funding changes and ensure that standards are maintained.

- It was further asked about plans to address the potential risk of leadership burnout, particularly in the light of schools' reduced funding. It was mentioned that leadership burnout is a concern that is frequently discussed with employee services. The impact of the funding changes on leadership burnout is not expected to be direct, but it will be monitored through regular discussions and sickness statistics. A member noted that burnout isn't confined to leadership but applies to classroom teachers as well.

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

The Chair thanked the Cabinet Member and officers. The report was moved.

### **6. Next Meeting**

11th February 2025.

The meeting ended at **12.57 pm**.