

# Public Document Pack



Neuadd y Sir  
Y Rhadyr  
Brynbuga  
NP15 1GA

County Hall  
Rhadyr  
Usk  
NP15 1GA

Friday, 12 February 2016

**Notice of meeting / Hysbysiad o gyfarfod:**

## **Children and Young People Select Committee**

**Monday, 22nd February, 2016 at 2.00 pm,  
Council Chamber, County Hall, The Rhadyr, Usk, NP15 1GA**

*Please note that a pre meeting will be held 30 minutes prior to the start of the meeting for members of the committee.*

### **AGENDA**

<b>Item No</b>	<b>Item</b>	<b>Pages</b>
1.	Apologies for Absence	
2.	Declarations of Interest	
3.	To consider a call-in in relation to the Cabinet Decision dated 3rd February 2016 'Proposed changes to the Funding Formula for Schools'. The following papers are attached for Members' consideration:	
3.1.	A copy of the Call-In request.	1 - 2
3.2.	A copy of the Decision Log and Cabinet report.	3 - 28
3.3.	A copy of the Call-In mechanism.	29 - 30
4.	Revenue & Capital Monitoring 2015/16 Month 9 Outturn Forecast Statement	31 - 134
5.	Scrutiny of the performance of the South East Wales Adoption Service (SEWAS).	135 - 150
6.	Progress report regarding the Social Services and Wellbeing (Wales) Act 2014.	151 - 156
7.	To confirm the date and time of the next meeting as Thursday 17th March 2016.	

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**Paul Matthews**

**Chief Executive / Prif Weithredwr**

MONMOUTHSHIRE COUNTY COUNCIL  
CYNGOR SIR FYNWY

THE CONSTITUTION OF THE COMMITTEE IS AS FOLLOWS:

County Councillors:

P. Jones  
P. Farley  
P. Clarke  
L. Guppy  
R. Harris  
M. Hickman  
S. Howarth  
D. Jones  
M. Powell  
M Fowler (Parent Governor Representative)  
C Robertshaw (Parent Governor Representative)  
Dr S James (Church in Wales Representative)  
Vacancy (Catholic Church)  
K Plow (Association of School Governors)

**Added Members**

**Members voting on Education Issues Only**

**Added Members**

**Non Voting**

Vacancy (NAHT)  
Vacancy (ASCL)  
Vacancy (NUT)  
Vacancy (Free Church Federal Council)  
Vacancy (NASUWT)

## Public Information

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### Watch this meeting online

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### Welsh Language

The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with adequate notice to accommodate your needs.

# Aims and Values of Monmouthshire County Council

## Sustainable and Resilient Communities

### Outcomes we are working towards

#### **Nobody Is Left Behind**

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

#### **People Are Confident, Capable and Involved**

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

#### **Our County Thrives**

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

### Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation
- Maintaining locally accessible services

### Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

# Nodau a Gwerthoedd Cyngor Sir Fynwy

## Cymunedau Cynaliadwy a Chryf

### Canlyniadau y gweithiwn i'w cyflawni

#### Neb yn cael ei adael ar ôl

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

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

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

#### Ein sir yn ffynnu

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

### Ein blaenoriaethau

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

### Ein gwerthoedd

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

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**CALL IN REQUEST**

1. **SUBJECT:** *Agenda Item 3a..  
Funding formula for Schools, specifically for Mountain House School.*

2. **DATE OF CABINET MEETING:**  
*3rd February 2016*

3. **CABINET DECISION:**  
*To approve.*

4. **REASON(S) FOR CALL- IN:**  
*In the light of new information brought to CYP Select on 14th January, concerns were raised concerning the size & immediacy of cuts, the effect it will have on the school & the absence of a strategic plan for school.*

5. **DATE RECEIVED:**

6. **MEMBERS CALLING-IN:**  
(The Chairman of a Select Committee or any three non-executive members)

Name	Ward
<i>Patsy Fuz</i>	<i>Chapton St. Mary's</i>
<i>Emma Bury</i>	<i>Easton Ward</i>
<i>Chris Wood</i>	<i>Donnelly Ward</i>

Please identify which Select Committee should hear the call in based on the reasons for the call in request

*St King-marks Wood*

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monmouthshire  
sir fynwy

## **CABINET DECISION RECORDING LOG**

**DECISION DETERMINED ON: Wednesday, 3 February 2016**

**DECISION WILL COME INTO EFFECT ON: Friday 12 February 2016  
(Subject to "Call-in" by appropriate Select Committee)**

**SUBJECT: Proposed changes to the funding formula for schools**

### **PURPOSE:**

1. To provide members with an update on the proposed changes to the school funding formula.
2. To provide members with details of any consultation responses received in relation to these proposals.

### **DECISION:**

To approve the following changes for the school funding formula;

- (i) Threshold funding for teachers
- (ii) Top Up funding for primary schools
- (iii) Funding for free school meals
- (iv) Funding for the residential element of Mounton House Special School.

### **REASONS:**

To ensure that the funding for schools is distributed on the fairest method.

### **RESOURCE IMPLICATIONS:**

There are no resource implications. However the funding reduction for Mounton House Special School could place the school in a deficit budget. The school is currently facing a deficit budget of £142,391 and is working closely with the Local Authority to develop a recovery plan. It is anticipated that further reductions will need to be made, and the Governing Body are aware of this.

### **CONSULTEES:**

All Head teachers of Monmouthshire Schools  
Chairs of Governing Bodies of Monmouthshire Schools  
The Schools Budget Forum  
The Senior Management Team  
The Departmental Management Team of the Children and Young People Directorate

Diocesan Directors of Education  
All Elected Members  
CYP Select Committee.

**INTEREST DECLARED**

None

**AUTHOR:**

Nikki Wellington

**CONTACT DETAILS**

E-mail: [nicolawellington@monmouthshire.gov.uk](mailto:nicolawellington@monmouthshire.gov.uk)

Tel: 01633 644549

**SUBJECT: PROPOSED CHANGES TO THE FUNDING FORMULA FOR SCHOOLS**

**MEETING: CABINET**

**DATE: 3<sup>RD</sup> FEBRUARY 2016.**

**DIVISION/WARDS AFFECTED: ALL**

**1. PURPOSE:**

1.1 To provide members with an update on the proposed changes to the school funding formula.

1.2 To provide members with details of any consultation responses received in relation to these proposals.

**2. RECOMMENDATIONS:**

2.1 That Cabinet approve the following changes for the school funding formula;

- (i) Threshold funding for teachers
- (ii) Top Up funding for primary schools
- (iii) Funding for free school meals
- (iv) Funding for the residential element of Mounton House Special School.

**3. KEY ISSUES:**

3.1 The funding formula distributes funding to schools on an agreed basis. The formula is reviewed annually.

3.2 The Schools Budget Funding Forum oversee any proposed changes to the formula and permission to consult on any changes is agreed by the forum members.

3.3 For the financial year 2016-17, two consultation papers have been issued:

- (i) Paper 1: Threshold funding for Teaching staff, Top up funding for Primary schools and funding for Free School Meals.
- (ii) Paper 2: Funding for the residential element for Mounton House Special School.

3.4 Threshold funding is for schools with teachers on the Upper Pay Scale (UPS). It is currently a large administrative burden to determine the required funding each year. Schools are required to provide details of all staff on UPS and determine if they will be eligible to increment the following September. Recent changes to the terms and conditions for teachers means pay progress can be accelerated, therefore adding to the financial burden for schools.

The current formula funds teaching staff on two rates, those on the main pay scale are funded at the top of this scale and those who have progressed on to the upper pay scale are funded at their actual rate. Hence the administrative burden for schools to provide this data.

The proposal is to fund all teaching staff at the top of the upper pay scale therefore reducing the pay burden to schools and reduce the administration.

3.5 The formula for primary schools funds a maximum of 30 pupils per class. This is determined separately for Foundation Phase and Key Stage 2. Schools who do not have straight classes of 30 in each year group will need to mix classes.

Recent changes from the Welsh Government now allow classes to be increased above 30, examples of which are where an appeal for admission is allowed, the admission of a looked after child and armed forces families.

In these cases, some primary schools have not employed additional teachers, but have breached. Therefore the funding has been used to increase the school balance, and in some cases the schools already have a significant surplus.

The proposal is to consult with schools on an individual basis who are receiving more than £20,000 in top up funding. If the school and local authority determine an additional teacher is required then funding will be provided. This will be determined at the January count. It is not anticipated to have class sizes significantly larger than current provision.

3.6 The current formula distributes funding for primary schools to fund meals for pupils who are entitled to free school meals. With the exception of one primary school, all primary schools use the school meal service provided by the Local Authority. This service is provided free of charge and the Local Authority funds those pupils entitled to a free meal.

As a result this funding is duplicated, therefore the proposal is to continue to distribute the funds via other elements of the formula, such as general allowances. The primary school that provides their own meal service will not be affected by this.

3.7 All the above proposals will not reduce funding for schools, the aim of these changes is to allow a fairer distribution.

3.8 The above changes have been subject to wide consultation, and the consultation paper is shown in appendix 1. All responses are shown in appendix 2. The School Budget Funding Forum agreed to progress these proposals at their meeting in November 2015.

3.9 The second paper relates to proposed changes to the funding of the residential element for Mounton House Special School. The current formula provides funding for 42 residential placements. This was last reviewed in 2010.

Since then the number of pupils having residential placements at the school has reduced significantly, and is currently at circa 12, covering both Monmouthshire and out of county pupils.

The proposal is to reduce funding by £250,000, which is a direct reduction to the schools budgets, therefore funding 18 residential placements.

The saving will be used to support the Medium Term Financial Plan for the financial year 2016-17, and is part of the budget mandate process.

3.10 This proposal has been subjected to wide consultation, the consultation paper is shown in appendix 3 and the responses are in appendix 4.

#### **4. REASONS:**

4.1 To ensure that the funding for schools is distributed on the fairest method.

#### **5. RESOURCE IMPLICATIONS:**

5.1 There are no resource implications. However the funding reduction for Mounton House Special School could place the school in a deficit budget. The school is currently facing a deficit budget of £142,391 and is working closely with the Local Authority to develop a recovery plan. It is anticipated that further reductions will need to be made, and the Governing Body are aware of this.

#### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

6.1 This is shown in appendix 5.

#### **7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS:**

7.1 There are no safeguarding or corporate implications associated with this report.

#### **8. CONSULTEES:**

8.1 All Head teachers of Monmouthshire Schools

8.2 Chairs of Governing Bodies of Monmouthshire Schools

8.3 The Schools Budget Forum

8.4 The Senior Management Team

8.5 The Departmental Management Team of the Children and Young People Directorate

8.6 Diocesan Directors of Education

8.7 All Elected Members

8.8 CYP Select Committee.

**9. BACKGROUND PAPERS:**

- 9.1 Current funding formula
- 9.2 Minutes from the working group
- 9.3 Consultation responses
- 9.4 Schools Budget Share (Wales) Regulations 2010.

**10. AUTHOR:**

Nikki Wellington – CYP Finance Manager.

**11. CONTACT DETAILS:**

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**E-mail:** [nicolawellington@monmouthshire.gov.uk](mailto:nicolawellington@monmouthshire.gov.uk)



## APPENDIX 1

### MONMOUTHSHIRE LOCAL EDUCATION AUTHORITY CHILDREN AND YOUNG PEOPLE DIRECTORATE CONSULTATION DOCUMENT – CHANGES TO THE FUNDING FORMULA FOR SCHOOLS.

- This document forms part of the consultation process on the proposed changes to the funding formula which delegates funding to schools within Monmouthshire.
- The relevant Welsh Government legislation that Monmouthshire Local Education Authority is bound by is:  
The Schools Budget Share (Wales) Regulations 2010.

#### CONSULTATION DOCUMENT

#### CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN MONMOUTHSHIRE.

Date of Issue: **25<sup>th</sup> September, 2015**

Action Required: **Consultation closes 6<sup>th</sup> November, 2015**

**Title of Document:** The Review of Funding for Schools in Monmouthshire Consultation Document.

**Audience:** All Head teachers of Monmouthshire Schools, Chairs of Governing Bodies of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

**Overview:** This document details the background that gave rise to the review of the current consultation on Schools funding and then outlines the new proposals for the distribution of this funding.

**Action Required:** A proforma (Appendix 2) is enclosed for your response. The completed form should be sent to the address below by the consultation closing date of **6<sup>th</sup> November, 2015**

## **Responses to: Nikki Wellington**

Finance Manager  
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@Innovation House  
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**Further Information:** Enquiries about this consultation document should be directed to **Nikki Wellington**

Nikki Wellington  
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**Additional Copies:** These can be obtained from Nikki Wellington (telephone number and e-mail address above)

**Related Documents:** The Schools Budget Shares (Wales) Regulations 2010



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Appendix 1 – Impact on Individual Schools

Appendix 2 – Responses proforma.

## **1. Background**

1.1. The School Budget Forum agreed to review the formula every year and to look at potential changes to ensure the formula remains up to date and to ensure that it continues to distribute funding in the fairest way.

1.2. Following the establishment of a working group, with requested representatives from all groups of schools, this consultation document sets out the areas that are to be considered for implementation for the financial year 2016-17.

1.3. The areas to be considered are:

- Threshold Funding
- Top Up Funding
- Free Primary School Meals

## **2. Issues with current arrangements**

2.1. Threshold funding is for schools with employees on the Upper Pay Scale (UPS). It is currently a large administrative burden to determine the required funding each year as schools are required to provide details of all staff on UPS and determine if they will be eligible to increase in September. Also due to the changes in teachers' pay and conditions, if a teacher applies to increase more than one point and is successful the school currently would not have the funding for that financial year and vice versa, schools who have accelerated teachers and have been funded will reduce funding available to other schools.

2.2. Top up funding is for Primary Schools only, it is additional funding to support the funding for a teacher generated by pupil numbers. For example 91 pupils in Key Stage 2, would fund the school for four teachers. We see large differences with the level of funding year on year, for example if a school suddenly has 31 pupils, this would generate funding for 2 teachers, however it is likely that the school will arrange mixed classes and therefore an additional teacher would not be required.

2.3. Primary Schools currently receive funding for free school meals, this is an historical factor in the formula and the cost of free school meals is not passed to the school.

### **3. Proposal 1: Change to Threshold Funding**

- 3.1 The current formula funds the school based on Main Scale 6 (M6) through pupil numbers and then additional funding is given depending on what UPS point the employee receive.
- 3.2 The working group discussed changing the funding per pupil to a UPS 3 instead of M6 and removing the additional element. Therefore all schools would be funded based on UPS 3 regardless of what point the teacher was paid.
- 3.3 This change will result in more funding via pupil led factors (within the regulation we have to ensure that at least 70% of the funding is delegated based on pupil led factors).
- 3.4 This change in formula would result in a £96k funding shift from Secondary to Primary sector, this was raised as an issue within the working group, however the following two proposals significantly reduces the impact, therefore this change will not be feasible unless the other proposals are accepted and will need to be reviewed.
- 3.5 The working group decided that Special schools funding should remain on threshold, as funding is already based on actual staff requirement.
- 3.6 All were in agreement that this proposal would remove a large administrative task for both the schools and finance staff.

**Q1 – Do you agree that proposal 1 should be implemented?**

**Q2. - If you do not agree with this proposal, do you have any other suggested method of funding?**

### **4. Proposal 2: Change to Top Up Funding**

- 4.1 With the current formula a school could potentially receive funding for an additional teacher that is not required. This is deemed an unfair allocation as it unnecessarily reduces the funding for other schools.
- 4.2 Two options were considered:  
  
Option 1: Funding for additional teachers would not emerge until 33 pupils were anticipated and an additional teacher would likely be required.  
  
Option 2: Review on a case by case basis. If a school `Top Up` element is in excess of £20k, discussion with the school and LA staff to determine if an additional teacher is required.
- 4.3 The calculation of 33 pupils instead of 30 indicated that this option would not be viable as it would remove funding from smaller schools who would need the additional teacher. Therefore it was decided Option 2 would be the best way forward.
- 4.4 Nursery Top up funding should remain as it is.
- 4.5 This would result in £180k funding being removed from specifically primary sector to allocate across both primary and secondary.

**Q3 – Do you agree with the above proposal to fund schools based on Option 2 where top up funding in excess of £20,000 is reviewed on a case by case basis?**

**Q4. - If you do not agree with this proposal, do you have any other suggested method of funding?**

**5. Proposal 3: Removal of Primary Free School Meal Funding**

5.1 The current formula provides funding for free school meals in primary sector, where the cost of free school meals is borne by the LEA.

5.2 The group discussed the impact of the removal of this funding, which would remove £65k from Primary sector to allocate to both Primary and Secondary sector.

5.3 The removal of this factor within the formula, would make the formula more transparent.

5.4 If a school decided to not use the MCC school meals service they would receive additional funding which is already agreed within the current formula. (OLSM are the only school at present who receive this additional funding per pupil)

**Q5 – Do you agree with the above proposal to remove the free school meal funding from Primary sector?**

**Q6 - If you do not agree with this proposal, do you have any other suggested method of funding?**

**CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN  
MONMOUTHSHIRE.****Covering:**

Funding of Teaching staff  
Funding of Top Up Element for Primary schools  
Funding of FSM.

We received 9 responses, 8 from schools and 1 union.

The responses are listed below:

**Q1 – Do you agree that proposal 1 should be implemented?**

9 said yes

**Q2. - If you do not agree with this proposal, do you have any other suggested method of funding?**

None were received

**Q3 – Do you agree with the above proposal to fund schools based on Option 2 where top up funding in excess of £20,000 is reviewed on a case by case basis?**

9 said yes

**Q4 - If you do not agree with this proposal, do you have any other suggested method of funding?**

None were received.

**Q5 – Do you agree with the above proposal to remove the free school meal funding from Primary sector?**

8 said yes

1 said no.

The school that had responded no had misunderstood the consultation and thought we were removing FSM entitlement and funding. We have visited this governing body this month to explain.

**Q6 - If you do not agree with this proposal, do you have any other suggested method of funding?**

None were received.



**MONMOUTHSHIRE LOCAL EDUCATION AUTHORITY**  
**CHILDREN AND YOUNG PEOPLE DIRECTORATE**  
**CONSULTATION DOCUMENT – CHANGES TO THE FUNDING FORMULA FOR**  
**SCHOOLS.**

- This document forms part of the consultation process on the proposed changes to the funding formula which delegates funding to schools within Monmouthshire.
- The relevant Welsh Government legislation that Monmouthshire Local Education Authority is bound by is:  
The Schools Budget Share (Wales) Regulations 2010.

**CONSULTATION DOCUMENT**  
**CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN**  
**MONMOUTHSHIRE.**

Date of Issue: **23rd November, 2015**

Action Required: **Consultation closes 6<sup>th</sup> January 2016.**

**Title of Document:** The Review of Funding for Schools in Monmouthshire Consultation Document.

**Audience:** All Head teachers of Monmouthshire Schools, Chairs of Governing Bodies of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

**Overview:** This document details the background that gave rise to the review of the current consultation on Schools funding and then outlines the new proposals for the distribution of this funding.

**Action Required:** A proforma (Appendix 3) is enclosed for your response. The completed form should be sent to the address below by the consultation closing date of **6<sup>th</sup> January 2016**

Responses to: Nikki Wellington  
Finance Manager  
Children and Young People Directorate  
Monmouthshire County Council  
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PO Box 106  
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e-mail: [nicolawellington@monmouthshire.gov.uk](mailto:nicolawellington@monmouthshire.gov.uk)

Further Information: Enquiries about this consultation document should be directed to Nikki Wellington

Nikki Wellington  
Tel: 01633 644549  
e-mail: [nicolawellington@monmouthshire.gov.uk](mailto:nicolawellington@monmouthshire.gov.uk)

**Additional Copies:** These can be obtained from Nikki Wellington (telephone number and e-mail address above)

**Related Documents:** The Schools Budget Shares (Wales) Regulations 2010



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3 Proposal	4

Appendix 1 – Current funding Section 52.

Appendix 2 – Proposed funding Section 52.

Appendix 3 – Response proforma.

#### **4. Background**

4.1. The School Budget Forum agreed to review the formula every year and to look at potential changes to ensure the formula remains up to date and to ensure that it continues to distribute funding in the fairest way.

4.2. Following a meeting of the School Budget Funding Forum on 16<sup>th</sup> November 2015, members agreed to consult on the funding formula for Mounton House Special School.

#### **5. Issues with current arrangements**

5.1. The current formula provides funding for the residential capacity of the school. The current placement funding is 42. Currently there are 10 residents in the school, but this number will fluctuate slightly from this during the year.

5.2. The funding formula for Mounton House was reviewed in 2010 and at this point there were more residential pupils on roll.

5.3. From 2010 the number of residential pupils have reduced, however the formula has not been adjusted to reflect this decline.

#### **6. Proposal.**

6.1 The proposal is to change the formula to fund on a lower number of pupils to reflect the actual numbers on roll.

6.2 This will result on the numbers funded for residential dropping to 18, to allow any growth in year.

6.3 As a result of this, it is anticipated that the funding through the formula would reduce by circa £250,000. Appendix 1 details the current funding and Appendix 2 shows the proposal. Please note this is based on 15-16 funding levels.

6.4 The reduction in funding would not be redistributed to schools, it would be used as a saving to close the gap on the wider Monmouthshire County Council budget.

6.5 Although this is a reduction in residential placements, the Governing Body would be responsible in planning how this will be met. The current formula has resulted in a subsidy of day places from residential places and therefore the proposed changes will correct this disparity.

**Q1 – Do you agree with this proposal?**

**Q2. - If you do not agree with this proposal, do you have any other suggested method of reducing schools budgets by £250,000.**

## CHANGES TO THE DELEGATION OF FUNDING FOR SCHOOLS WITHIN MONMOUTHSHIRE.

Covering:

Funding for residential element of Mounon House School.

The consultation paper was sent to:

All Head teachers of Monmouthshire Schools, All Governors of Monmouthshire Schools, The Schools Budget Forum, the Senior Management Team, the Departmental Management Team of the Children and Young People Directorate, Diocesan Directors of Education, and All Elected Members.

We received 11 responses, 10 from schools and Governing Bodies and 1 from a union.

The responses are listed below:

Q1 – Do you agree that proposal 1 should be implemented?

2 – made comment only as below.

7 – said yes

2 – said no

### Comments made:

It's not clear how the 2015 numbers of each year group totalling 42 have suddenly gone to 10. What year group are these? How many staff are there presumably to deal with different year groups..? – A message was left to discuss this, however no return phone call was received.

A reduction in education funding at a time when schools are being asked to absorb increases in teachers' pay and NICs seems contrary to the intention of the UK and Welsh governments. This would amount to cuts well above the 7.5% over the lifetime of this government suggested by the IFS. However it does seem sensible to review the future of Mounon House – the facility is very expensive and the two 21<sup>st</sup> Century schools each have special provision within their build. How is this factored into the decision making? What is the outcome of internal and external review of the provision? How has it impacted on life chances for young people? Can this be replicated or improved in the new provisions in Monmouthshire?

No we reject this proposal as at this stage it does not appear to be a Consultation rather a directive to reduce £250k from the Mounon House School budget by adjusting the funding formula. In order for the NASUWT to respond effectively we would need an impact assessment in terms of the implications for the residential provision and the staffing at the school as this will be crucial to our response.

There is insufficient information with regard to the finances for the residential provision at Mounon House School. Further information is required with regard to both the income and costs of residential provision in order to make any assessment. Any analysis needs to take full account of the fees received from other Authorities for both day and residential placements as well as the potential cost impact of the loss of residential provision for Monmouthshire pupils. Improved marketing of the school with other Local Authorities would lead to increased usage so this should be a revenue growth rather than a cost reduction initiative. One of the most likely and obvious options that the Governing Body will implement to mitigate the £250,000 proposed reduction in Funding (which is directly linked to residential places) for the 2016/17 financial year is to close the Residential facility at the School. The cost of simply staffing this part of the business at present is £282,213 therefore this is a realistic decision that Governors could make. This has implications for the Local Authority.

There are currently ten residential pupils on roll at Mounon House School 6 of which are from other Local Authorities and four from Monmouthshire. One further out of county Year 9 residential pupil has been referred to the School recently. Therefore the financial impact in terms of recoupment income from other Local Authorities could be £295,359 in 2016/17 based on the current annual residential fee of £46,030. Furthermore, there are four Monmouthshire residential pupils at Mounon House School three of which are Year 10 (one Year 11 pupil) pupils and could need alternative educational and residential provision for the whole or part of the 2016/17 academic year. These placements conservatively estimated at £50,000 per place could cost the Authority from £87,500 to £150,000 per year to educate these pupils through to April 2017 with further costs in the 2017/18 financial year. Therefore, the total cost/loss of income to the Authority could be as much as £445,359 far outweighing the £250,000 reduction in funding via the current formula.

**Yes** - Mounton House School agrees that it is right and proper that all Schools in Monmouthshire are financed appropriately via the School funding formula. Residential pupil numbers and therefore the places required to be funded at the School have fallen significantly. However, Mounton House School is different from any other School within the Local Authority as decisions made to address potential residential funding reductions by the LA can also significantly impact on the finances of the Local Authority itself. Also, Mounton House is looking to once again market itself across our neighbouring LA's in order to improve pupil numbers.

Mounton House School also has a £136,000 deficit forecast at Month 6 due to a set of unprecedented and unavoidable circumstances and it is acknowledged that a significant staffing restructure is required to address the current deficit and to develop the School into an organisation which is fit for its current purpose.

As you will be aware there is a consultation taking place on Additional Learning Needs in Monmouthshire and it is understood that Mounton House School is part of the Stage 3 element of this process. A decision on the future designation and role of the School will need to be supplemented by a substantial funding formula review so that the School is funded appropriately for any future purpose.

Mounton House School accepts that it has been subject to a funding formula that historically has not been responsive to changes in the number of places that were required residentially and now has to potentially manage this substantial (£250,000) decrease in funding in one financial year that has been caused by a reduction in residential pupils experienced over 4 or 5 academic years.

An overriding question from the School's standpoint is:-why was the funding formula not reviewed in view of falling pupil numbers a number of years ago? This would have resulted in a more gradual and manageable decrease in funding over a 3 to 5 year period allowing the Governing Body to plan more effectively in the context that the future of the School has yet to be clearly resolved despite being subject to Local Authority debate over the last 5 years.

A whole School restructure is currently underway and a deficit reduction plan/recovery plan will flow out of the process when the detail is known. In the past residential places led to funding being utilised to support other educational provision and initiatives to support the challenging behaviour of the pupils, therefore the impact in the reduction of the funding will be severe and will no doubt affect greatly the current restructure.

The context of the proposed change in funding formula and the resultant projected reduction in funding is £250,000. This represents the vast majority of the current cost of residential staff (£282,000) or put another way the cost of 5 teachers. Therefore the significant impact cannot be underestimated.

As the potential funding reduction is via residential places then a realistic outcome could be the decision to close the residential facility at the School. This would impact financially in a detrimental way on the Local Authority:

(1) Redundancy costs for Residential staff at Mounton House School would undoubtedly take up the majority of any redundancy budget earmarked by the Local Authority for 2016/17 (£300,000 for 2015/16) and therefore potentially leaving other Schools within the Local Authority to pick up redundancy costs from their own Individual School Budget Shares.

(2) There are currently ten residential pupils on roll at Mounton House School 6 of which are from other Local Authorities and four from Monmouthshire. One further out of county Year 9 residential pupil has been referred to the School recently. Therefore the financial impact in terms of recoupment income from other Local Authorities is £295,359 based on the current annual residential fee of £46,030.

Furthermore, there are four Monmouthshire residential pupils at Mounton House School three of which are Year 10 (one Year 11 pupil) pupils and could need alternative educational and residential provision for the whole or part of the 2016/17 academic year. These placements conservatively estimated at £50,000 per place but could cost the Authority from £87,500 to £150,000 to educate these pupils through to April 2017 with further costs in the 2017/18 financial year. (The Priory Group was contacted and although they would not discuss specific figure the “ball park” figure for a pupil with the type of needs being catered for at Mounton House School was £75,000)

Therefore, the total cost to the Authority could be as much as £445,359 far outweighing the (savings?) £250,000 reduction in funding via the current formula.

The closure of the residential aspect of the School will also have an “opportunity cost” on the Local Authority’s income generation potential in the future. Even at £46,000 many placing Local Authority’s consider the recoupment fees cheap in comparison to other (private) providers. The School has raised over £1.2m in recoupment fees income in the past (paying for “Band” funding distributed to Mainstream Schools to support inclusion for other pupils with Additional Learning Needs in Monmouthshire) and with the correct recruitment approach there is very realistic potential to be a large income generator again, for a Local Authority facing increasing budget pressures, now and in the future.

**Q2. - If you do not agree with this proposal, do you have any other suggested method of reducing school budgets by £250,000?**

**Yes** – Maintain the residential capacity at Mounton House School at 25 places which gives the potential scope for another 15 pupils.

If the current Acting Head (or designated person(s) within the School) was given flexibility within his role to recruit from outside the County and the places were valued at £50,000 an extra 5 pupils would give the Authority the £250,000 that it is looking for to help bridge its funding gap for the 2016/17 financial year.

The school would then propose that any further pupils recruited after the first 5 would result in a split in the funding with the current residential place value of approximately £11,000 being attributed to the School budget with the balance accruing to the Authority.

The Authority will know that the budget formula would need to be structured to allow the residential part of the business to grow and scope should be included to allow more flexibility in terms of pupil placements. The School could cater for partial residential placements, extended day placements, restbite care, weekend emergency placements from Social Services...the asset could be utilised extensively and provide increased income to the Authority and provide more certainty and security for the staff at the School.

Mounton House School is a forward thinking establishment looking to become a sector leading practice in the delivery of education to BESD and other learners with additional learning needs. The staff have shown that they are resilient, adaptable to change and are looking forward to achieving this goal. It is hoped that the Local Authority will continue to support us in our aims.

Response from CYP Select Committee – They unanimously agreed to paper one, but need further information on paper 2, which is subject to review.

# The “Equality Initial Challenge”

# Appendix 5

Name: Nikki Wellington Service area: CYP Schools Date completed: 4 <sup>th</sup> January 2016		Please give a <b>brief description</b> of what you are aiming to do.  To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Moun-ton House Special school in line with pupil numbers.	
Protected characteristic	Potential <b>Negative</b> impact Please give details	Potential <b>Neutral</b> impact Please give details	Potential <b>Positive</b> Impact Please give details
Age		✓	
Disability		✓	
Marriage + Civil Partnership		✓	
Pregnancy and maternity		✓	
Race		✓	
Religion or Belief		✓	
Sex (was Gender)		✓	
Sexual Orientation		✓	
Transgender		✓	
Welsh Language		✓	

Please give details about any potential <b>negative Impacts</b> .	How do you propose to <b>MITIGATE</b> these <b>negative impacts</b>
➤ <i>Potential that Mounton House Special School will have a deficit budget, that could result in redundancies.</i>	➤ Local Authority support to agree a recovery plan. All redundancies will follow the protection of employment policies.
➤	➤
➤	➤
➤	➤

**Signed N S Wellington Designation CYP Finance Manager**

**Dated 15<sup>th</sup> January 2016.**

## EQUALITY IMPACT ASSESSMENT FORM

<b>What are you impact assessing</b>	<b>Service area</b>
To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Mounon House Special school in line with pupil numbers.	CYP Schools
<b>Policy author / service lead</b>	<b>Name of assessor and date</b>
Nikki Wellington	15 <sup>th</sup> January 2016

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What are you proposing to do?

To ensure a fair distribution of funding for schools via the funding formula and to allocate funding for residential placements to Mounon House Special school in line with pupil numbers.



2. Are your proposals going to affect any people or groups of people with protected characteristics in a **negative** way? If **YES** please tick appropriate boxes below.

Age		Race	
Disability		Religion or Belief	
Gender reassignment		Sex	
Marriage or civil partnership		Sexual Orientation	
Pregnancy and maternity		Welsh Language	

3. Please give details of the negative impact

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There should be no negative impact on the protected characteristics above as all policies will be followed to minimise impact. Any redundancies will be in line with the protection of employment policy.

4. Did you take any actions to mitigate your proposal? Please give details below including any consultation or engagement.

There has been wide consultation, detailed in section 8.

5. Please list the data that has been used to develop this proposal? eg Household survey data, Welsh Govt data, ONS data, MCC service user data, Staff personnel data etc..

As detailed in section 9.

**Signed**...N S Wellington .....**Designation**...CYP Finance Manager .....**Dated** 15th January 2016.....



## CALL-IN MECHANISM

### Call-in

(a) When a decision is made by the executive, an individual member of the executive or a committee of the executive or an area committee or under joint arrangements, the decision shall be published, including where possible by electronic means, and shall be available at the main offices of the Council normally within two days of being made. All members will be sent copies of the records of all such decisions within the same timescale, by the person responsible for publishing the decision.

(b) That notice will bear the date on which it is published and will specify that the decision will come into force, and may then be implemented, on the expiry of five clear working days after the publication of the decision, unless a select committee objects to it and calls it in.

(c) During that period, the proper officer shall call-in a decision for scrutiny by the committee if so requested by the chairman or any three non-executive members and shall then notify the decision-taker of the call-in. He/she shall call a meeting of the committee on such date as he/she may determine, where possible after consultation with the chairman of the committee, and in any case within fifteen working days of the publication of the decision.

(d) If, having considered the decision, the select committee is still concerned about it, then it may refer it back to the decision making person or body for reconsideration, setting out in writing the nature of its concerns or refer the matter to full Council. If referred to the decision maker they shall then reconsider, amending the decision or not, before adopting a final decision.

(e) If following an objection to the decision, the select committee does not meet in the period set out above, or does meet but does not refer the matter back to the decision making person or body, the decision shall take effect on the date of the select meeting, or the expiry fifteen working days, from the publication of the decision, whichever is the earlier.

(f) If the matter was referred to full Council and the Council does not object to a decision which has been made, then no further action is necessary and the decision will be effective in accordance with the provision below. However, if the Council does object, the Council will refer any decision to which it objects back to the decision making person or body, together with the Council's views on the decision. That decision making body or person shall choose whether to amend the decision or not before reaching a final decision and implementing it. Where the decision was taken by the executive as a whole or a committee of it, a meeting will be convened to reconsider within ten clear working days of the Council request. Where the decision was made by an individual, the individual will reconsider within ten clear working days of the Council request.

(g) If the Council does not meet, or if it does but does not refer the decision back to the decision making body or person, the decision will become effective on the date of the Council meeting or expiry of the period in which the Council meeting should have been held, whichever is the earlier.

### **EXCEPTIONS**

(h) In order to ensure that call-in is not abused, nor causes unreasonable delay, certain limitations are to be placed on its use. These are:

- i) only decisions involving expenditure or reductions in service over a value of £10,000 may be called in;
- ii) three members of the council are needed for a decision to be called in;

### **CALL-IN AND URGENCY**

(i) The call-in procedure set out above shall not apply where the decision being taken by the executive is urgent. A decision will be urgent if any delay likely to be caused by the call in process would seriously prejudice the Council's or the public's interests. The record of the decision, and notice by which it is made public shall state whether in the opinion of the decision making person or body, the decision is an urgent one, and therefore not subject to call-in. The Head of Paid Service or his/her nominee must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency. Decisions taken as a matter of urgency must be reported to the next available meeting of the Council, together with the reasons for urgency.

(j) The operation of the provisions relating to call-in and urgency shall be monitored annually, and a report submitted to Council with proposals for review if necessary.

## REPORT

<b>SUBJECT</b>	<b>REVENUE &amp; CAPITAL MONITORING 2015/16 MONTH 9 OUTTURN FORECAST STATEMENT</b>
<b>DIRECTORATE</b>	<b>Chief Executive's Unit</b>
<b>MEETING</b>	<b>Children &amp; Young People Select Committee</b>
<b>DATE</b>	<b>11<sup>th</sup> February 2016</b>
<b>DIVISIONS/ WARD AFFECTED</b>	<b>All Authority</b>

### **PURPOSE**

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

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

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

### **2. RECOMMENDATIONS PROPOSED TO CABINET**

- 2.1 That Members consider the position concerning the third period of revenue monitoring in 2015/16 (£162,000 overspend), and seek assurance that Chief Officers will continue to work on delivering the £1.6 million Recovery Plan reported to December 2015 Cabinet.
- 2.2 That Senior officers follow the requirement of the Protection of Employment Policy which requires that all redundancy and pension costs must be reported to and agreed by Cabinet before final approval.

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

### 3. MONITORING ANALYSIS

#### 3.1 Revenue Position

3.1.1 Revenue budget monitoring information for each directorate's directly managed budgets is provided together with information on corporate areas.

#### 3.1.2 Responsible Financial Officer's Summary of Overall Position Period 3

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

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

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

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



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

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

3.1.6 The main overspending areas are:

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

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

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

### 3.1.9 Slippage on Reserve funded projects

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

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

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

### 3.1.10 Redundancy costs

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

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

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

3.1.11 Page 38 When managers initially highlight the re-engineering of services, there is often a potential for redundancy payments, but it is not possible to quantify the extent of these costs without prejudicing the outcome of the interview process or the success of redeployment. A second report is required to quantify these costs prior to being incurred for member approval. The Protection of Employment Policy states that:

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

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

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

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

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

80  
41

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.1.12 More detailed monitoring information together with a narrative of more significant variance over £25,000 is provided in the Select Appendices 2 to 5.



### 3.2 SCHOOLS

3.2.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 9 projections.

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

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

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

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

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

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

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

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

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

### 3.3 2015/16 Savings Progress

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

In summary they are as follows:

#### **2015/16 Mandated Budgeted Savings Progress at Month 9**

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

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

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

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

### Operations (OPS)

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

### Enterprise (ENT)

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

### Children and Young People (CYP)

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

### Social Care & Health (SCH)

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

Chief Executive's Office

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

### 3.4 Capital Position

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

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

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

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

### 3.5 Proposed Slippage to 2016-17

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

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

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

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

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

### 3.6 Capital Outturn

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

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

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

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

### Capital Financing and Receipts

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

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



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

### 3.8 Useable Capital Receipts Available

3.8.1 In the table below, the effect of the changes to the forecast capital receipts on the useable capital receipts balances available to meet future capital commitments is shown. This is also compared to the balances forecast within the 2015/19 MTFP capital budget proposals.

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#### Movement in Available Useable Capital Receipts Forecast

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

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

#### Points to note:

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

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

### 3.9 Reserve Usage

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

## SUMMARY EARMARKED RESERVES POSITION 2015-16 AT MONTH 9

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

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

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

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

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

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

**4 REASONS**

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

**RESOURCE IMPLICATIONS**

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

**6 WELL BEING OF FUTURE GENERATIONS IMPLICATIONS**

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

**7 CONSULTEES**

- Strategic Leadership Team
- All Cabinet Members
- All Select Committee Chairman
- Head of Legal Services
- Head of Finance

**8 BACKGROUND PAPERS**

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

## 9 AUTHOR

Mark Howcroft – Assistant Head of Finance

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## 10 CONTACT DETAILS

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### Appendices (attached below)

Appendix 1 Mandated Savings Progress Report

Appendix 2 Strong Communities Select Committee portfolio position statement

Appendix 3 Economy and Development Select Committee portfolio position statement

Appendix 4 Adult Select Committee portfolio position statement

Appendix 5 Children and Young People Select Committee portfolio position statement

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

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

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

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

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

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

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

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

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

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

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

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

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

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


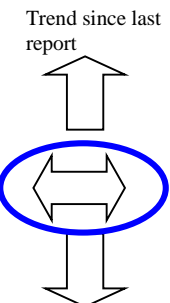
[Appendix 14 M9 School Movement on Reserves 2015-16](#)

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

## Budget Mandates

### Progress and Next Steps at Month 9 –

(including Recovery Plan actions agreed by Cabinet 2<sup>nd</sup> December 2015)

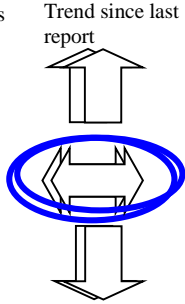
Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<b>Mandate 1 Leisure.</b>  Current status  Trend since last report 	<p><b>Leisure centre staffing remodelled £115k, admin and clerical review £66k, support services review £20k, reduction caretaking Abergavenny £15k, outdoor education reduction £25k, leisure supplies and service £25k, increased income through fitness and sport offer £155k.</b></p> <p>Restructure process complete. All departments have individual service plans. All plans tracked and monitored by the individual service area. Full ownership of delivery by individual teams. 15k Caretaker savings will not be achieved as the school failed to invoice until 15-16. Consequently the full years charge in this year.</p> <p><b>Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec*) - £35K achievable</b> Delayed Lighting installed at the 3G pitch resulted in only partial income being reached against alternative delivery plans amounting to £5K. Increase income against swimming and fitness not achieved. This has resulted in a £5K improvement since month 6.</p>	<p>Continue to review the 3 G pitch project and review its income generation targets.</p> <p>Review business plans for swimming and fitness to ensure mitigating pressures for 16/17 onwards.</p> <p><b>Alternative Delivery Plan based on variance reported against original mandate at Month 6</b></p>	Income	155,000	135,000	15,000	Ian Sanders
			Savings	265,983	250,983	15,000	
			Total	420,983	385,983	30,000	
			Total	,420,983	385,983	30,000	

**Mandate 2  
Mandate 42  
Youth Service**

Current status



Trend since last report



Replace Commercialisation of the core line services.  
 The Youth Service is exploring new ways of working with the YBC.  
 • Expansion of smaller housing scheme & S&B reduction.  
 • Management restructure.  
 Detailed plans in place for all projects to ensure they remain on track.  
 The long term average ECF funding does not be reversed up to a period of 3 years and is definitely positive and if maintained over a period of 70k will be a growth of 300 clients.  
 Projections indicate the service will generate £600k in excess supporting the project.  
 Programme to assist with Post 16 support for 1 year  
 Community Kitchen in Abergavenny has been awarded 5 star rating by Environmental Health and is now operational. Taking bookings for buffets; children's parties and lunches for community members

Meetings with val res about into park and bespoke for staffing and outages require developed with YBC  
 Team of 10 and training of 10 in the festival courses to be substituted link with key dates  
 for a series of 10 courses for 2016 Sept 2016  
 teams to raise awareness of the service S&B for a rise in profitability.  
 Continue to work with YBC to develop project solutions  
 Project in July 2015  
 evaluation valuation work undertaken during Oct to Nov in a package available  
 to any benefits in the period of Sept to Dec 2015 for March/April  
 Set income targets once steady business flow is established.  
 Shop to be operational by September 2015  
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations  
 Meeting with staffing team to look at where time can be found in order to free staff up  
 cuts have rendered new projects unviable until further review.  
 Review on going expenditure on repairs and maintenance.

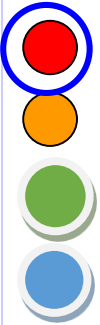
Income	25,000	25,000	0
Savings	30,000	30,000	0
Income	200,000	63,000	137,000
Total	55,000	55,000	0
Savings	0	0	0
Total	200,000	63,000	137,000

Ian Bakewell  
 Tracey Thomas

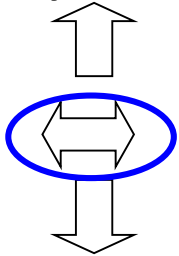
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**Mandate 5 \*  
Sustainable Energy Initiatives**

Current status



Trend since last report



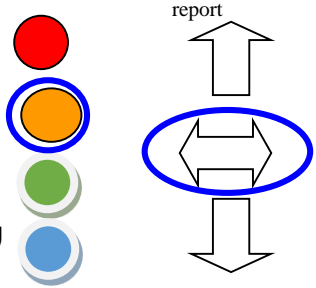
2014/15 & 2015/16 - Abergavenny is near opening  
 Investing in biomass boilers, solar farms and reductions in Carbon Commitment.  
 Audit and accounts have been set up  
 Marketing ready targets not achieved.  
 Solar Farm Catcher progress approved 15 July 2015  
 Courses ready to advertise  
 Staffing New Refurb solar projects have generated additional revenue in line with our projections  
 Wellbeing of our staff  
 Government policy changes to the Staff who have expertise in this area are finding installations unlikely as well as impact of tariff changes on a Solar Farm the priority.  
 - Biomass installed at Cross Ash operational and generating heat.





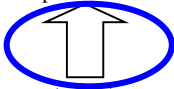
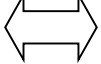

Set income targets once steady business flow is established.  
 Shop to be operational by September 2015  
 Additional revenue streams for 2015/16 are lower than forecast due to a combination of delays and changes to funding, FIT and RHI tariff reductions will affect existing installations  
 Meeting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

Income	0	0	0
Savings	33,000	0	33,000
Total	33,000	0	33,000

Ben Winstanley



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

	<p>The current staffing budget runs until the end of October 2015, the TIC has been closed for December and planned for January. Income amounting to £5k has been secured from the Town Council. Following legal advice the acquisition reserve can only be used to fund the purchase of artefacts and not to off-set operational expenditure.</p> <p>At month 9 these savings have not been realised and therefore the £30,000 budget pressure remains.</p>						
<p><b>Mandate 14</b></p> <p><b>Home to School Transport</b></p> <p>Current status        </p> <p>Trend since last report      </p>	<p><b>Continuation of 2014-15 mandate. Fundamental policy review to nearest school, and more zealous application of free school travel criteria.</b>  Post 16 travel grant removed. - Green  Removal of the non-statutory element of travel grants to post 16 students by July – Green</p> <p>Increase in post 16 charging – achieved increase in costs in 14/15 and will sustain however the 29k target for 15/16 will not be delivered as already realised.</p> <p>Transport Policy on hold.</p> <p>There is currently no progress on change of policy on statutory distances and pick up points due to members exploring other options.</p> <p><b>Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec) - £30k achievable  A reduction in the fuel budget to reflect reduced diesel prices.</b></p>	<p>Consultation on the transport policy is currently on hold and consequently the current budget was insufficient to operate the current 'home to school transport policy'.</p> <p>A pressure mandate has been submitted to address current underfunded budget for 16/17.</p> <p><b>Alternative Delivery Plan revised budget –based on variance reported mandate at month 6.</b></p>	<p>Income</p> <p>Savings</p> <p>Total</p> <p>Revised Total* (101k + 1k)</p>	<p>0</p> <p>101,000</p> <p>101,000</p> <p>102,000</p>	<p>0</p> <p>72,000</p> <p>72,000</p> <p>102,000</p>	<p>0</p> <p>29,000</p> <p>29,000</p> <p>0</p>	<p>Roger Hoggins/ Richard Cope</p>

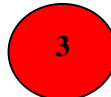
Summary Month 10

Summary – Month 2

Summary – Month 6

Summary - Month 9

Key



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

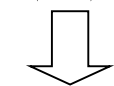
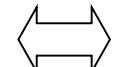
**Mandate 15 \***

**Facilities - transfer functions to other providers**

Current status



Trend sin



**2014/15 mandate\***

**Building Cleaning / Community Services Engaging with town and community councils, 'friends of' and clubs to take on service related costs. Considerable work has already been undertaken e.g Linda Vista, Bailey Park, public conveniences. 15/16**

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

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

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

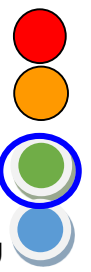
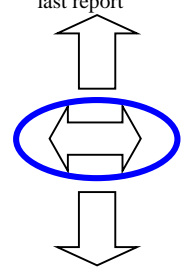
Engagement with the community and town councils commenced on October 2015 and further consultation is scheduled.

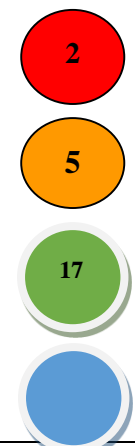
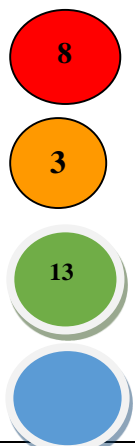
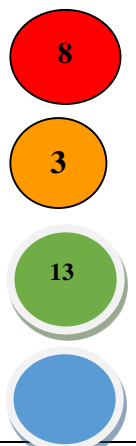
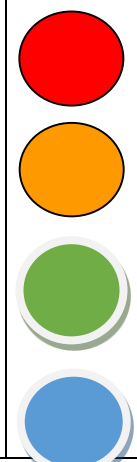
Will remain red with the limited savings until end of the year.

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

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

Total	100,000	100,000	0
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	<p>The alternative delivery plan is forecast to achieve the mandate budget shortfalls at month 9 within the service.</p>						
<p><b>Mandate 16</b></p> <p><b>schools delegated budgets</b></p> <p>Current status</p>  <p>Trend since last report</p> 	<p><b>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</b></p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

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

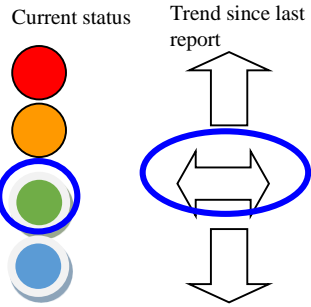
**School library service - combine with general library service**

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

No next steps necessary

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

Sharon Randall - Smith



**Mandate 20 Gwent Music**

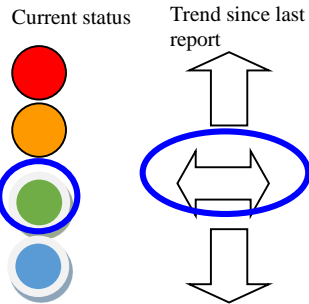
**Gwent Music is a joint service hosted by Newport. The plan is to refocus the service to make them more efficient and increase the value by :-**  
Increase charging to parents per term to bring it in line with other LA's delivering the same service i.e Newport.  
Introduce an instrument charge.  
Not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

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

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

Nicky Wellington

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



2014/15 mandate\*

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

**This has established a shared service model.**

No action necessary in relation to the mandate savings.

We continue to deliver savings with this partnership working.

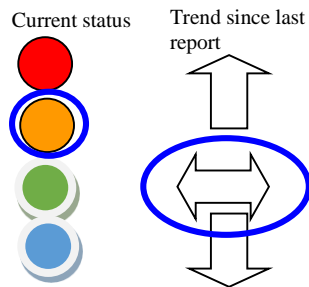
Plan to review near the end of the five year project.  
 Review to include :-  
 Budgets  
 Service  
 Resource / secondments.  
 Etc...

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

Julie Boothroyd

Page 72

**Mandate 25**  
**Fleet**  
**Rationalisation**



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

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

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

No next steps for fleet reduction as complete.


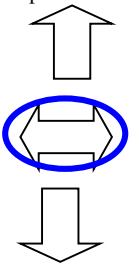

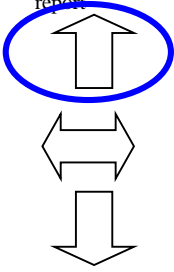
Continue to review the 2 ICT projects and report progress.

The shortfall in restructure savings are met within service area.

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

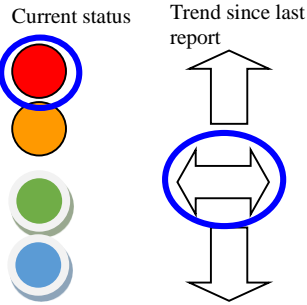
Debbie Jackson

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

**Mandate 31**

**ICT Savings (SRS & custom built software solutions)**



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

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

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

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

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

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

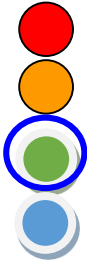
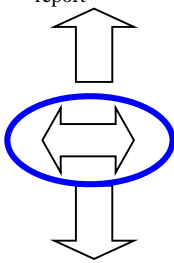

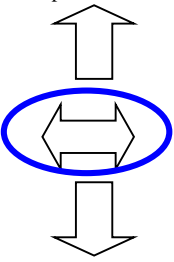
**Alternative Delivery Plan – based on variance reported against original mandate at month 6.**

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

Peter Davies

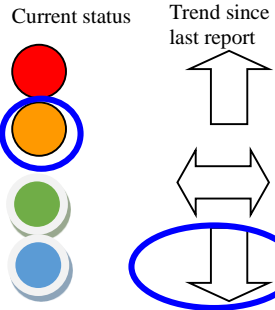
Mandate Summary		RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
1	Leisure				



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



**Mandate 37b  
Trade Waste**



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

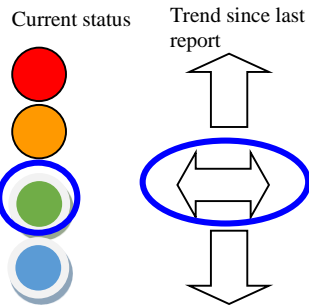
To date £10K has been generated through the sale of trade recycling bags yet it is anticipated that further income will be forthcoming as business replenish stock. At month 9 £15K has been forecasted as total income. .

Continue to review operational impact.

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

Rachel Jowitt

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



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

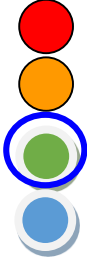
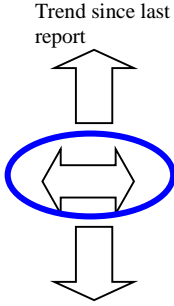

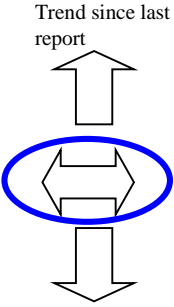
The mandate has been delivered the savings have been achieved.

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

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

Rachel Jowitt

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

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

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

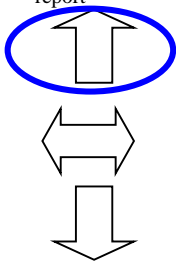
**Mandate 41a**

**Abergavenny Markets**

Current status



Trend since last report



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

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

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

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

To build an income generation plan for future years.

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

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

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

### Head of Operations Commentary

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

### 1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

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

1.2 The most significant over and under spends are

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



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

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

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

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

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

## 2. 2015-16 Savings Progress

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

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

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

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

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

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

### Budget Mandates

#### Progress and Next Steps at Month 9

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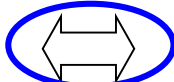
**Mandate 14**

**Home to School Transport**

Current status



Trend since last report



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

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

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

Transport Policy on hold.

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

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

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

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

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

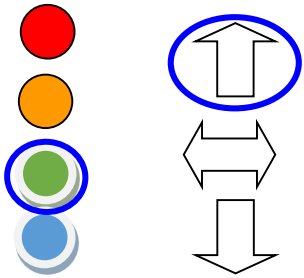
**Alternative Delivery Plan revised budget – based on variance reported mandate at month 6.**

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

**Mandate 15 \***

**Facilities - transfer functions to other providers**

Current status



**2014/15 mandate\***

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

**15/16**

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

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

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

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

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

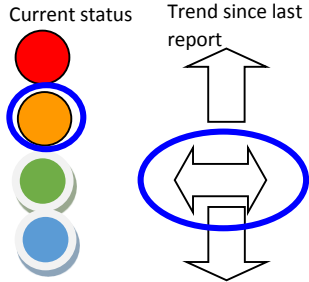
Will remain red with the limited savings until end of the year.

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

Income	100,000	10,000	<b>90,000</b>	Roger Hoggins
Savings	0	0	0	
Total	100,000	10,000	<b>90,000</b>	
Total	100,000	100,000	<b>0</b>	

**Mandate 25**

**Fleet Rationalisation**

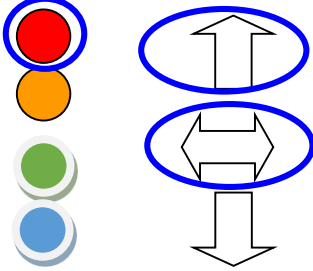


<p><b>The savings for this mandate were being achieved from the reduction of fleet vehicles across the authority.</b></p> <p>This fleet reduction has been achieved therefore the budget mandate is on target to be achieved by year end. The restructure element due to protection of employment policy did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



**Mandate 36 \***  
**Route Optimisation**

Current status      Trend since last



Mandate from 2014/15

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

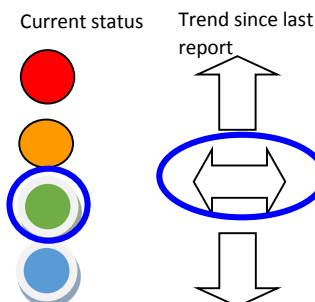
£86k of the £250K will not be achieved on this mandate. Leasing costs were built into the saving yet the vehicles to be removed from the fleet were owned and therefore no revenue savings from leasing could be delivered. In addition the project established that the £250 was too ambitious and we were unable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

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

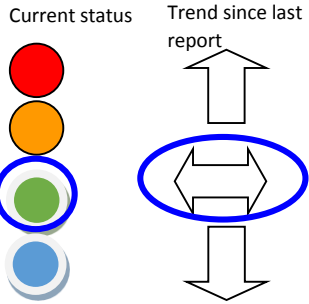
Review the on-going operation and budgets and re-align in line with service needs. The pressure from this mandate has been mitigated by suppressed fuel process and savings in superann (pension) within the department and this is reflected in the month 6 and 9 financial monitoring reports. The route optimisation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

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

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

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

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



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

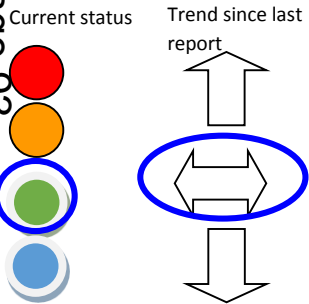
The mandate has been delivered the savings have been achieved.

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

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

Rachel Jowitt

**Mandate 40a  
Democracy**



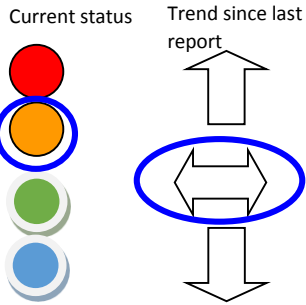
This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :-  
 Management restructure – Green.  
 Increased income generation – Green  
 Removal of a vacant post – Green  
 Reduction in mileage budget – Green  
 All action plans delivered in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

In relation to budget delivery no next steps  
 Non budget Service improvements.

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

Tracy Harry

**Mandate 41  
Highways**



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

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

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

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

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

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

### 3. Capital Outturn Forecast

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

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

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

Appendix (links to Hub)

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

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

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

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

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

**APPENDIX 3**

**DIRECTOR'S COMMENTARY**

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

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

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

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

1.1 The combined budget and outturn forecast for this portfolio is

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

1.2 The most significant over and underspends are:

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

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

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

### 2015-16 Savings Progress

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

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

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

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


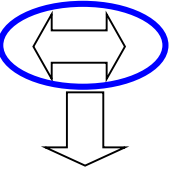

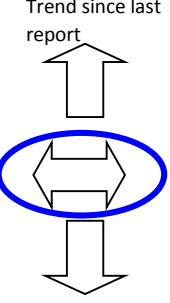
1.3 Further detailed analysis of Savings mandates are contained with Appendix SM

**Budget Mandates**

**Progress and Next Steps at Month 9**

<b>Mandate RAG</b>	<b>Progress up to month 9</b>	<b>Next Steps</b>	<b>Type</b>	<b>Year-end target</b>	<b>Forecasted to achieve</b>	<b>Variance</b>	<b>Owner</b>
--------------------	-------------------------------	-------------------	-------------	------------------------	------------------------------	-----------------	--------------



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

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

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

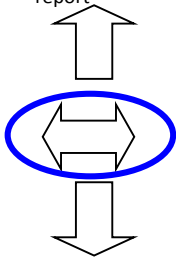
**Mandate 6**

**Museums & Castles**

Current status



Trend since last report



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

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

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

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

Ian Saunders



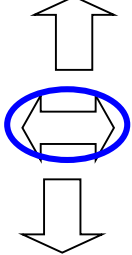
	<p>Savings from shared service model at Chepstow TIC – Red, Income from green screen – Red Income from rental of Abergavenny Red Square window - Green TIC at Chepstow has had considerable lone working pressure which is why the budget is overspent.</p>	<p>this year. Castle - Achieving in year savings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

**Mandate 26**  
**Property Rationalisation**

Current status



Trend since last report



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

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

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

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

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

Ben Winstanley

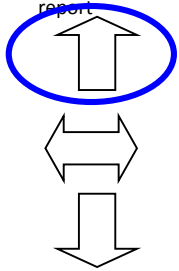
**Mandate 28**

**Community Hubs**

Current status



Trend since last report



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

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

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

**15/16**  
No next steps

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

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

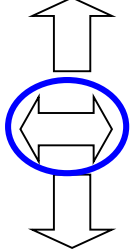
**Mandate 31**

**ICT Savings (SRS & custom built software solutions)**

Current status



Trend since last report



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

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

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


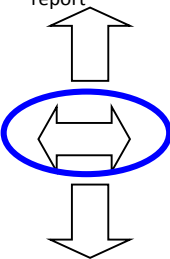

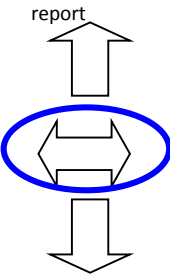
**Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec\*) – £110k achievable Continue to do work that is required to support the sale/licencing and commercialisation of FLO.**

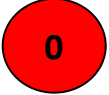



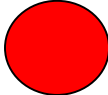




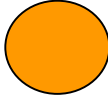










Work continues at month 9. The service is currently reviewing all budget areas and update on savings achievable will be known at Month 11.





































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

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

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

<p><b>Mandate 40a</b> <b>Democracy</b></p> <p>Current status  </p> <p>Trend since last report  </p>	<p>This mandate purpose was to reduce the budget requirement in a number of areas through a range of actions including :-  Management restructure – Green.  Increased income generation – Green  Removal of a vacant post – Green  Reduction in mileage budget – Green  All action plans delivered in order to achieve the savings.</p>	<p>In relation to budget delivery no next steps</p> <p>Non budget Service improvements.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>24,000</p> <p>85,000</p> <p>109,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Tracy Harry</p>
<p><b>Mandate 41a</b> <b>Abergavenny Markets</b></p> <p>Current status  </p> <p>Trend since last report  </p>	<p><b>The objective was to run additional market stalls on existing market days in Neville street and St Johns Square, Abergavenny. Expansion of flea markets and boot sales and to hold special markets/events in Cross Street Abergavenny.</b></p> <p>The service has been unable to generate the additional income. This mainly due to operational, resource and PR challenges. New Structure in place for January 2016.</p> <p><b>Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec) – 50k achievable</b>  <b>Cease all repair and maintenance work to asset portfolio.</b>  The service is forecasting achieving 37k against the alternative delivery plan.</p>	<p>To build an income generation plan for future years.</p> <p><b>Alternative Delivery Plan – based on variance reported on original mandate at month</b></p>	<p>Income</p> <p>Savings</p> <p>Total</p> <p>Total</p>	<p>70,000</p> <p>0</p> <p>70,000</p> <p>70,000</p>	<p>0</p> <p>0</p> <p>0</p> <p>37,000</p>	<p><b>70,000</b></p> <p><b>0</b></p> <p><b>70,000</b></p> <p><b>33,000</b></p>	<p>Ben Winstanley</p>

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

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

## 2. Capital Outturn Forecast

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

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

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

Appendices (click link to Hub)

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

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

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



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

### DIRECTOR'S COMMENTARY

### APPENDIX 4

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

#### 1. Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

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

1.2 The most significant over and underspends are

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

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

## 1 2015-16 Savings Progress


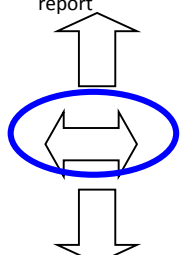
As at month 9, SCH are on track to meet our mandated savings as illustrated below: -

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

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

## Budget Mandates

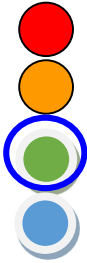
### Progress and Next Steps at Month 9

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

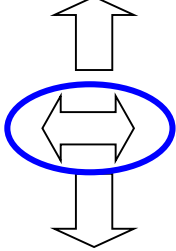
**Mandate 33&34**

**Adult Social Care**

Current status



Trend since last report



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

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

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

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

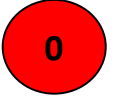
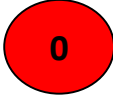
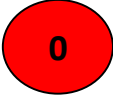
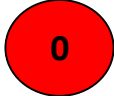
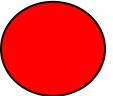
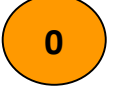
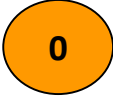
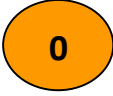
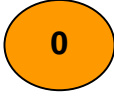
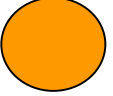










Continue to deliver and ongoing evaluation of the DCM training and other training that supports the workforce to change practice.

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

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

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

Julie Boothroyd

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

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

## 2 Capital Outturn Forecast

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

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

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

APPENDIX (Links to Hub)

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

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

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

**APPENDIX 5**

**CYP DIRECTOR'S COMMENTARY**

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

**SCH DIRECTOR'S COMMENTARY**

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

## 1 Revenue Outturn Forecast

1.1 The combined budget and outturn forecast for this portfolio is

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

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The most significant over and underspends are

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

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

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

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

## 2 2015-16 Savings Progress

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


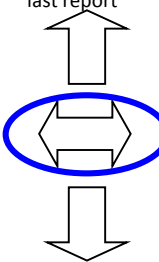
Children & Young People’s budgeted savings were £1,514,000 and at month 9 £1,377,000 have been identified. Of the remaining savings £137,000 are currently deemed to be unachievable.

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

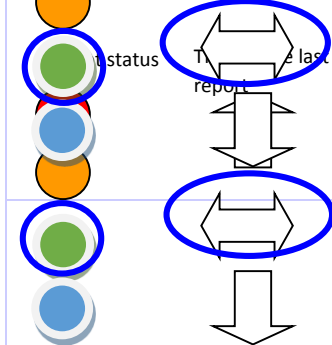
2.1 Further analysis of the Savings mandates can be found in Appendix SM.

Budget Mandates

Progress and Next Steps at Month 9

Mandate RAG	Progress up to month 9	Next Steps	Type	Year-end target	Forecasted to achieve	Variance	Owner
<p><b>Mandate 16</b></p> <p><b>schools delegated budgets</b></p> <p>Current status </p> <p>Trend since last report </p> <p>Page 127</p>	<p><b>Schools budgets will be protected at cash limit, this means no pay inflation and or non-pay inflation is provided for in funding, This is about finding opportunities to reduce costs in schools.</b></p> <p>Schools continue to be supported to seek opportunities for savings. Cluster led meetings. Schools being supported with performance management. Training needs have been identified for Head Teachers to address any skill gaps when managing their budgets. All schools continue to engage. Schools who need more significant support have been identified and support delivered action to mitigate any financial challenges. 'Quick wins' have been developed and continue to be published, shared and evaluated throughout all schools. Mandate savings delivered.</p>	<p>Continue to review resource impact for foundation phase.</p> <p>Monitor schools closely to ensure they follow their budget plans and more schools do not fall into a deficit.</p>	<p>Income</p> <p>Savings</p> <p>Total</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>1124,000</p> <p>1124,000</p>	<p>0</p> <p>0</p> <p>0</p>	<p>Nikki Wellington</p>

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



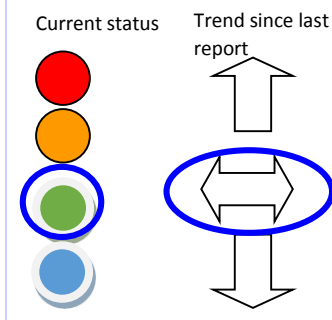
**We are undertaking a review of Additional Learning Needs. Its forms a 3 stage process.**  
 2017/18 fully delivered with 2016/17 savings\*  
 Stages 1 and 2 are complete.  
 The team have commenced consultation with families as part of the stage 3. (Mandate B20 for 16/17).

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

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

Sharon Randall-Smith

**Mandate 20**  
**Gwent Music**



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

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

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

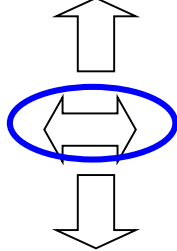
Nicky Wellington

**Mandate 42  
Youth Service**

Current status



Trend since last report



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

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

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

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

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

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

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

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

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

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

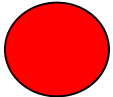
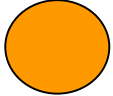


Set income targets once steady business flow is established.  
Shop to be operational by September 2015  
Set income targets once steady business flow is established

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

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

Tracey Thomas

	<p>£63,000 the savings have been met, but the service are reporting an £137k overspend at month 6.</p> <p><b>Alternative Delivery Plan ( agreed by cabinet 2<sup>nd</sup> Dec) – 60k achievable</b>  <b>Combination of increase in Grant Income and savings on staff vacancies.</b>  Grant income delayed to new financial year</p>	<b>Amendment to delivery plan.</b>	Total	200,000	63,000	<b>137,000</b>	
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<p><b>Summary - Month 10</b> Current status</p> <p>1</p> <p>1</p> <p>3</p> <p></p>	<p><b>Summary – Month 2</b></p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p><b>Summary – Month 6</b></p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p><b>Summary – Month 9</b></p> <p>1</p> <p>0</p> <p>4</p> <p></p>	<p><b>Key</b></p> <p> Not on target Concerns identified with delivery of target. Closely review &amp; monitor.</p> <p> Monitoring &amp; required to keep on track</p> <p> On target to achieve budget and action Plans.</p> <p> On target and over achieve.</p>
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Mandate Summary	RAG Month 10	RAG Month 2	RAG Month 6	RAG Month 9
16 Schools Delegated budgets				
18 School Library Service				
20 Gwent Music				
35 Transformation of ALN				
42 Youth Service				



### 3. SCHOOLS

3.1 Each of the Authority's Schools is directly governed by a Board of Governors, which is responsible for managing the school's finances. However, the Authority also holds a key responsibility for monitoring the overall financial performance of schools. Below is a table showing the outturn forecast Schools' balances position based on month 9 projections.

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

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

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

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

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

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

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

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

## Capital Outturn Forecast

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

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

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

## APPENDIX (links to Hub)

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

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

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

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

**SUBJECT: South East Wales Adoption Service**

**MEETING: Children and Young People's Select Committee**

**DATE: Monday 22<sup>nd</sup> February 2016**

**DIVISION/WARDS AFFECTED: ALL**

## **1. PURPOSE:**

- 1.1. To inform scrutiny of the progress made by the South East Wales Adoption Service since it was formed as part of the National Adoption Service in April 2014.
- 1.2 The National Adoption Service (NAS) has developed a protocol outlining the role of the nominated regional councillor who sits on the NAS governance board and their links into their collaborative Local Authorities. This protocol highlights the need for formal arrangements to be in place to report on the performance of the regional and national elements of the National Adoption Service. This report is part of the formal arrangements required.
- 1.3 The report highlights the 1<sup>st</sup> year's performance of the National Adoption Service. The report attached has been presented to scrutiny in Blaenau Gwent, who are the host Authority for SEWAS.

## **2. RECOMMENDATIONS:**

- 2.1 It is recommended members scrutinise the developments and performance of the regional and national elements of the National Adoption Service highlighted in the report.
- 2.2 Advise future data and information requirements regarding Monmouthshire specific information in addition to the annual NAS requirements if Members feel that this would be helpful.

## **3. KEY ISSUES:**

- 3.1 South East Wales Adoption Service (SEWAS) commenced on the 1<sup>st</sup> April 2014.
- 3.2 The attached report from Blaenau Gwent provides the background and context to the service and provides the data from a national perspective. The report also advises a note of caution as the data contained in the report has been collated for the first time. A need for improved data collection has been recognised and put in place.

- 3.3 The report does not provide specific data regarding Monmouthshire as the requirement from the National Adoption Service is to provide this on a national and regional basis
- 3.4 The local experience since SEWAS was formed has been very positive with an increase in focus on older and more complex children having the same opportunity for a 'forever' family.
- 3.5 There has been an increase in adoptions as shown in the table below. Figures can vary for adoptions as not all children will have a plan for adoption as an outcome from the Care Proceedings in Court.

Year	Placed for adoption	Children with adoption Orders
15/16 (up to Q3)	6	1
14/15	4	10
13/14	2	
12/13	1	

- 3.6 The psychology support pre and post adoption has been very effective to moving children on to and settling into their adoptive placements. Work to develop this service further continues with SEWAS.

**4. REASONS:**

- 4.1 SEWAS is still developing and identifying issues that need addressing e.g. data collection as it progresses. The SEWAS Management Committee is attended by Monmouthshire's Head of Children's Services and relevant Service Manager for adoption. In addition this Service Manager attends a link meeting to develop and progress operational development of the service.
- 4.2 The formation of a regional collaborative has proved to be very useful. SEWAS has been successful at recruiting and matching children considered to be hard to place.

**5. RESOURCE IMPLICATIONS:**

- 5.1 This service is funded from core budget provision and is a collaborative arrangement with the 5 Local Authorities in the Gwent area. The Management Committee for SEWAS ensure that arrangements are in place to resource this service. A partnership arrangement is in place. Monmouthshire contribute £156, 978 in 2015/16 and it is planned the contribution will be the same in 2016/17.

**6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

N/A

**7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS:**

This area of Children's Services work complies with the Local Authority Safeguarding and Corporate Parenting requirements.

**8. CONSULTEES:**

Director Social Care and Health  
Children's Services  
SEWAS

**9. BACKGROUND PAPERS:**

Attached Scrutiny Report from Blaenau Gwent

**10. AUTHOR:**

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<b><u>BLAENAU GWENT COUNTY BOROUGH COUNCIL</u></b>	
<b>Report to</b>	<b>Social Services Scrutiny Committee</b>
<b>Report Subject</b>	<b>National Adoption Service 1<sup>st</sup> Annual Report</b>
<b>Report Author</b>	<b>Tanya Evans</b>
<b>Report date</b>	<b>12<sup>th</sup> October 2015</b>
<b>Directorate</b>	<b>Social Services</b>
<b>Portfolio</b>	<b>Childrens Services</b>
<b>Date of meeting</b>	
<b>Date signed off by Monitoring Officer</b> <i>Report author to note - this applies to reports being submitted to committees and will be facilitated by the Business Support model arrangements</i>	
<b>Date signed off by Section 151 Officer</b> <i>Report author to note - this applies to reports being submitted to committees and will be facilitated by</i>	

<i>the Business Support model arrangements</i>	
<b>Date signed off by Chair</b> <i>Report author to note - this applies to reports being submitted to committees and will be facilitated by the Business Support model arrangements</i>	
<b>Key words</b> <i>Report author to list key words that illustrate the main content.</i>	

### Report Information Summary

<b>1.</b>	<b>Purpose of Report*</b>
	To inform scrutiny of the progress made by the South East Wales Adoption Service since it was formed as part of the National Adoption Service in April 2014.
1.1	
<b>2.</b>	<b>Scope of the Report*</b>
	The National Adoption Service (NAS) has developed a protocol outlining the role of the nominated regional councillor who sits on the NAS governance board and their links into their collaborative Local Authorities. This protocol highlights the need for formal arrangements to be in place to report on the performance of the regional and national elements of the National Adoption Service. This report is part of the formal arrangements required. The report highlights the 1 <sup>st</sup> years performance of the National Adoption Service.
2.1	
<b>3.</b>	<b>Recommendation/s for Consideration*</b>

	It is recommended members scrutinize the developments and performance of the regional and national elements of the National Adoption Service highlighted in the report.
3.1	

<b>Why this topic is a priority for the Council?*</b>					
<i>Report author to identify links to the main corporate strategies.</i>					
Single Integrated Plan (SIP)	Corporate Improvement Plan (CIP)	Performance Management Improvement Framework (PMIF)	Operating Model	Transforming Blaenau Gwent (TBG Programme)	Other (please state)
		X			

<b>Reporting Pathway*</b>							
<i>Report author to identify proposed reporting pathway. (To include dates where possible)</i>							
Directorate Management Team (DMT)	Corporate Management Team (CMT)	Audit	Democratic Services Committee	Scrutiny	Executive	Council	Other (please state)
X	X			X			

\*Denotes mandatory section

## Main Report

<b>1.</b>	<b>Background and Context*</b>
	In February 2014 a report was presented to the Social Services and Active Living Scrutiny Committee. It proposed the development of the South East Wales Region of the National Adoption Service. It was also proposed Blaenau Gwent host this regional arrangement. Scrutiny committee supported this proposal and executive committee agreed it. The South East Wales Adoption Service came into being on the 1 <sup>st</sup> April 2014. The Adoption and Children Act 2002 (Joint Adoption Arrangements) (Wales) Directions 2015 came into force in March 2015. These regulations set out the governance arrangements for the National Adoption Service and what is required regionally to support the service.

The regions under the National Adoption Service are as follows:

- North Wales – Conwy, Wrexham, Gwynedd, Denbighshire, Flintshire and Anglesey
- South East Wales – Blaenau Gwent, Caerphilly, Monmouthshire, Newport and Torfaen
- Mid and West Wales – Ceredigion, Carmarthenshire, Pembrokeshire and Powys
- Western Bay – Bridgend, Neath Port Talbot and Swansea
- Vale, Valleys & Cardiff – Cardiff, Vale of Glamorgan, Merthyr Tydfil and Rhondda Cynon Taff.

The National Adoption Service has developed a governance board which has responsibility for the monitoring and oversight of the National Adoption Service. The South East Wales representative on this board is the executive member for social services within Blaenau Gwent.

Each region is required under the regulations to develop a management committee to manage and have oversight of the regional collaborative operations.

The South East Wales Adoption Service management committee has been in operation since April 2014 and has met quarterly since this time. The committee is chaired by the Head of service of Blaenau Gwent as Blaenau Gwent hosts the regional collaborative. Each local authority is represented on this committee by their Heads of Children's Services. The committee also has representatives from Health, Education and the Voluntary Adoption Agencies as required under the regulations.

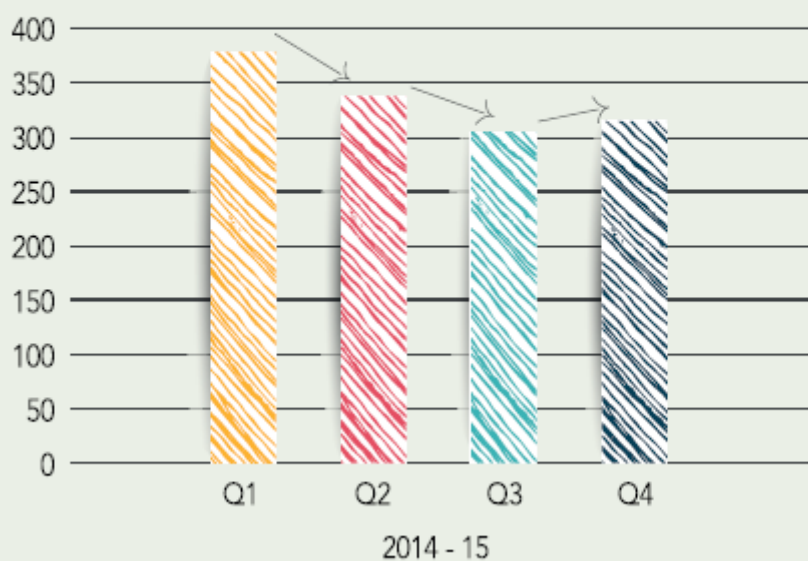
The South East Wales Adoption Service (SEWAS) is based at Mamhilad which is centrally located to deliver services across the region. The service has specific teams to undertake the various functions required for example recruiting and assessing adopters, family funding (matching adopters and children) and adoption support (supporting children and adopters pre and post adoption).

The National Adoption Service has developed a performance framework which SEWAS reports into on a quarterly basis. This

	<p>performance information was used to develop the 1<sup>st</sup> Annual report of the National Adoption Service 2014/2015. This is the first time adoption information has been collated and reported on across Wales. This reporting helps improve services as we are able to:</p> <ul style="list-style-type: none"> <li>• Compare the activities of the 5 regional collaboratives and (where relevant) the two voluntary adoption agencies that approve adopters</li> <li>• Understand what the data means</li> <li>• Find out the stories behind the data</li> <li>• Compare data from Wales with data from other parts of the UK.</li> </ul>
<b>2.</b>	<b>Options for Consideration</b> (to be completed in every case where relevant to the report topic and information)
	N/A
2.1	
<b>3.</b>	<b>Performance Evidence and Information*</b>
	<p>The 1<sup>st</sup> annual report does highlight a ‘note of caution’ in relation to the performance data as it was the first year of collating such for the first time. Areas for improving data collection have been identified and measures put in place.</p> <p>To understand the data presented in the Annual Report a basic understanding of how children move from being looked after to being adopted is required.</p> <p>Looked after children need a plan for their long term future. If they cannot live with their birth parents there may be a “<b>should be placed</b>” decision by the local authority that adoption is the best plan for them.</p> <p>The local authority then applies to the court for a “<b>placement order</b>” allowing them to place the child with approved adopters once a match is found.</p> <p>After the child moves in with the approved adopters there is a period of becoming a family before going back to court for an “<b>adoption order</b>”.</p>

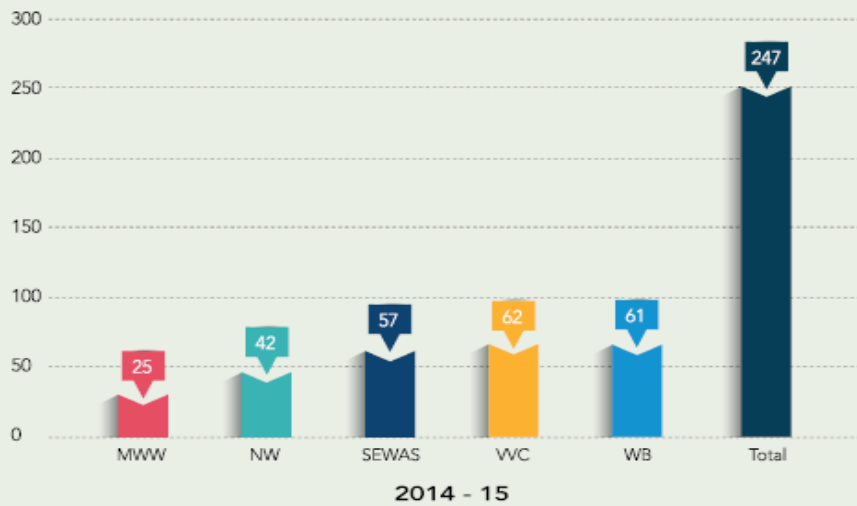
During the year, the number of children with “should be placed” decisions who had not been placed for adoption went down (see Figure 3). On 31st March 2015, 316 children with a “should be placed” decision were waiting for a match.

**Figure 3. Number of children with a “should be placed” decision who have not yet been placed for adoption**

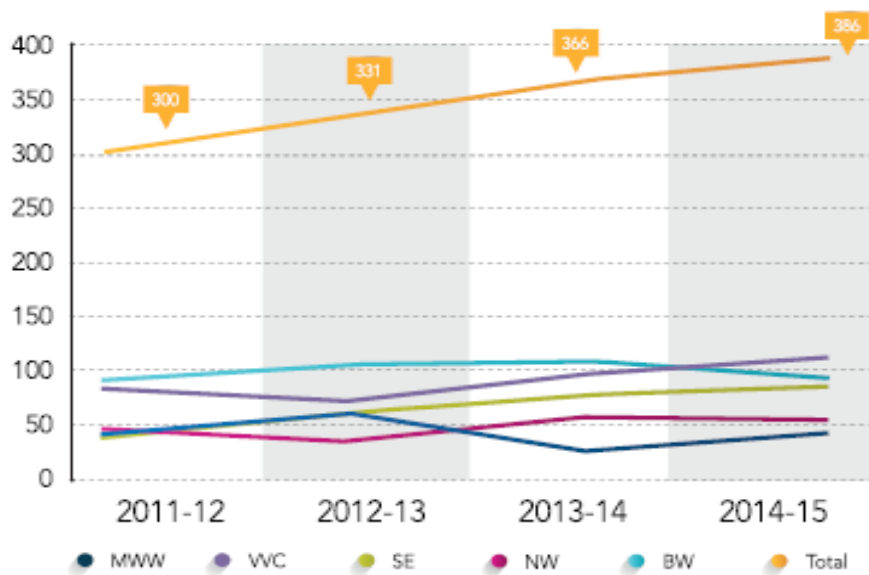


67% of the children who were matched in 2014-2015 were not matched until more than six months after the “should be placed” decision was made. This percentage varied considerably around Wales (see Figure 4).

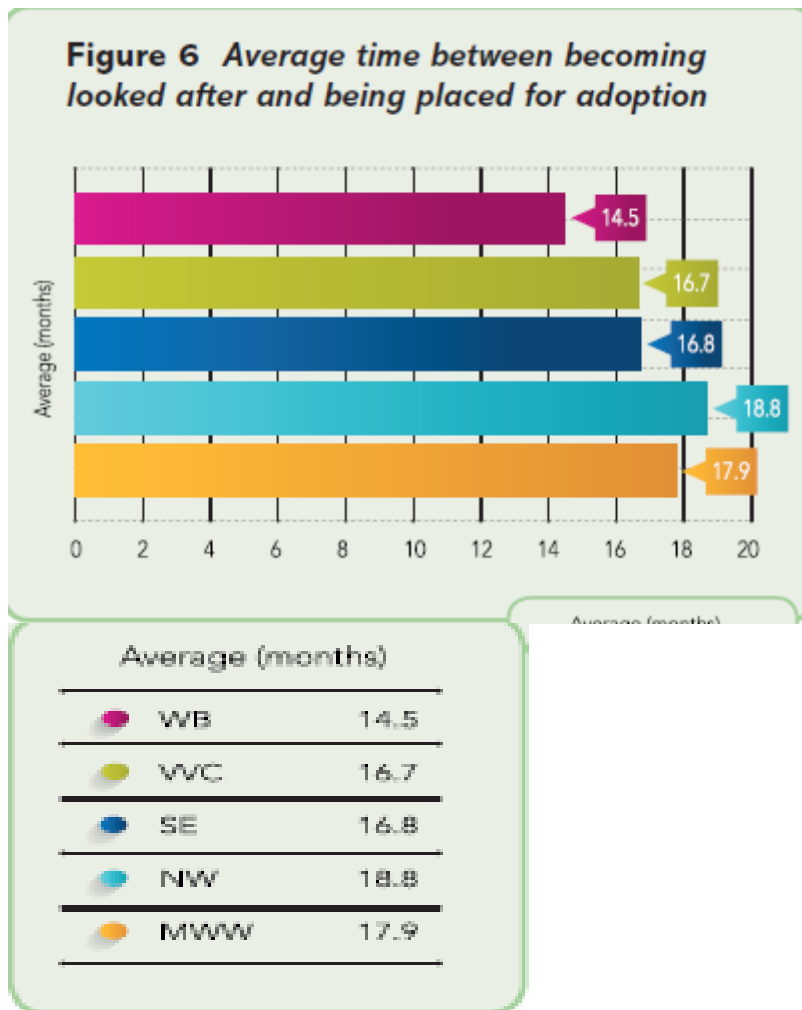
**Figure 4** Number of children matched who have waited longer than 6 months between a “should be placed” decision and being matched for adoption



**Figure 5** Number of children placed for adoption



386 children were placed for adoption in Wales (see Figure 5). This includes 38 children placed through St David’s Children Society and 11 placed through Barnardo’s. On average, it took 16.5 months from becoming looked after to being placed for adoption. The previous year’s average wait had been about 26 months. The average wait varied considerably around Wales (see Figure 6).



Agencies received 1,161 enquiries about becoming adopters in 2014-2015. This is an increase of 27% since 2011-2012 (see Figure 9). We know that some people made enquiries to more than one agency, so we cannot give a definite number of people who made enquiries.

Figure 9

2011-12	913
2012-13	950
2013-14	1166
2014-15	1161

The target is to reply to 100% of initial enquiries within five working days. St David’s, Western Bay and Barnardo’s all

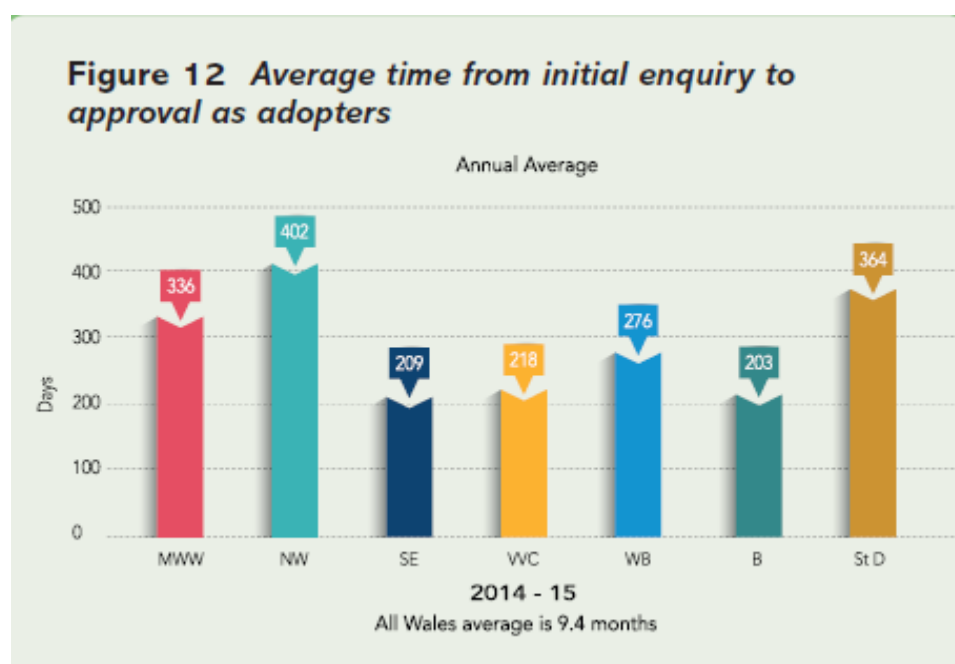


achieved 100% and North Wales was very close to this (see Figure 10).

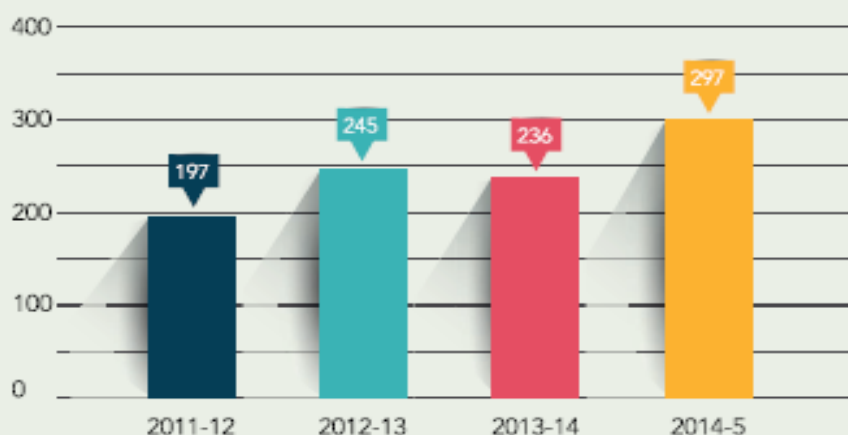
**Figure 10 Percentage of enquiries responded to within five working days**

Mid and West Wales	94%
North Wales	99%
South East	90%
Vale, Valleys and Cardiff	90%
Western Bay	100%
Barnardo's	100%
St David's Childrens Society	100%

Welsh Government guidance says it should take 8 months between that first enquiry and when a person is approved as an adopter. The average time for Wales as a whole was 9.4 months. However, as Figure 12 shows, the average time varies between under 7 months and over 13 months.



**Figure 13** *Number of adopters approved*



Across Wales, 297 people were approved as adopters. This number has been going up year on year (see Figure 13) and we want to make sure this continues.

More people are being approved as adopters and there are more children needing adoption. Currently, most approved adopters want to adopt just one child, and almost all want to adopt a child under the age of eight.

The mismatch is clearest if we look at adults and children on the Wales Adoption Register on 31<sup>st</sup> March 2015.

- Most adopters want to adopt younger children, but there are fewer younger children needing adoption.
- There are not enough adopters available to adopt older children, especially children from the age of four upwards.
- There are too few adopters available to adopt sibling groups.

Based on this, the National Adoption Service aims to increase the number of adopters who are willing to consider older children and sibling groups.

The National Adoption Service has set the following priorities, during 2015/2016 a 3 year plan will be developed to achieve these priorities.

	<ul style="list-style-type: none"> <li>• Recruit more adopters</li> <li>• Improve how children and families are matched</li> <li>• Improve adoption support services</li> <li>• Ensure everyone is involved and has a say about adoption services</li> <li>• Take messages from research into account.</li> </ul> <p>SEWAS has a business plan which not only looks to achieve the priorities highlighted above but those recognised locally to improve service delivered.</p>
3.1	
<b>4.</b>	<b>Impact Assessment Against Proposals / Options*</b>
	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
4.1	
<b>5.</b>	<b>Financial Implications*</b>
	SEWAS is a collaborative arrangement funded by the 5 local authorities within this region. The management committee is responsible for ensuring arrangements are in place for determining the amount of payment or other contribution to be made by the local authorities towards the cost of carrying out the partnership functions. A partnership arrangement is in place and under regulation should be reviewed every 2 years.
5.1	
<b>6.</b>	<b>Risk Implications*</b>
	No risks currently identified.
6.1	
<b>7.</b>	<b>Staffing/Workforce Development Implications*</b>
	No issues relevant at this time.
7.1	
<b>8.</b>	<b>Conclusion*</b>
	This report has highlighted the first year's performance of the National Adoption Service. The South East Wales region is one of 5 regions developed under the National Adoption service and performance information is integral to this report.

	<p>There are areas for improvement within the region in particular the response time to enquiries for adoption and a reduction in the time taken for children who have 'should be placed' decisions to be matched with adopters.</p> <p>As SEWAS has been in operation for over 18 months reviews of the functions are underway to look at these issues and improve service delivery.</p>
8.1	

**Ref:PSEWAS.2169**

**Date: 12.10.15**

<b>SUBJECT:</b>	<b>SOCIAL SERVICES AND WELL-BEING (WALES) ACT 2014</b>
<b>MEETING:</b>	<b>CHILDREN AND YOUNG PEOPLE'S SELECT COMMITTEE</b>
<b>DATE:</b>	
<b>DIVISION/WARDS AFFECTED:</b>	<b>ALL</b>

**1. PURPOSE:**

The purpose of this report is to brief the Children and Young People's Select Committee on the Social Services and Well-Being (Wales) Act 2014, which provides the legislative basis for social services in Wales from April 2016. The report also sets out the implementation actions required at a regional and local level.

**2. RECOMMENDATIONS:**

Children and Young People's Select Committee are asked to consider the content of this report and the actions required to implement the Social Services and Well-being Act in Monmouthshire County Council by April 2016.

**3. KEY ISSUES:**

**Background**

In February 2011, the former Deputy Minister for Social Services published, "Sustainable Social Services for Wales – A Framework for Action", the Welsh Government strategy to "renew social services and social care for the next decade". Sustainable Social Services made it clear that radical transformation was needed to address the significant challenges to traditional social services as a consequence of the changed social and financial context. Factors such as changes in family structures, demography, expectations about voice and control for service users, more fragmented communities and the impact of issues like substance misuse meant traditional solutions were not sustainable. Social services departments responded positively to this challenge, developing transformation programmes to achieve a paradigm shift in culture, practice and commissioning. These are programmes of continuous and sustained improvements, moving from deficit based, service led practice towards a person centred approach which focuses on strengths and individually agreed outcomes.

The Social Services and Well-Being (Wales) Act 2014 received Royal Assent and became law in May 2014. The Act provides the statutory framework to underpin the changes in culture and practice. It sets out duties for local authorities corporately and partners in the NHS, as well as social services departments. Authorities are required to integrate social services, to support people of all ages with a focus on well-being, prevention, early intervention, and greater voice and control for people. The Act promotes independence and prevention of the need for commissioned services. By integrating and simplifying the law, the Act seeks to deliver greater consistency, promote equality, improved quality and enhanced access arrangements across Wales.

This paper provides:

- A briefing on the 11 parts in the above Act.
- The local and regional position regarding implementation.

## Legal Framework

The Act repeals much of the previous framework of social care legislation in Wales in an attempt to establish a single, clear, modern statute and code of practice that underpins a coherent social care system. It is important to note that some legislation will remain in place including the Mental Capacity Act or will remain in part, including elements of the Children's Act, critically section 47. The primary legislation is supported by regulations (secondary legislation) and detailed codes of practice. The final pieces of the legislative jigsaw are in the process of being put in place. The code of practice in relation to measuring social services performance was issued on 5 October 2015. Following consultation, final regulations and final codes of practice for parts 2 (General Functions), 3 (Assessing the Needs of Individuals), 4 (Meeting Needs), 5 (Charging and Financial Assessment), 6 (Looked After and Accommodated Children), 10 (Complaints, Representations and Advocacy) and 11 (Miscellaneous and General) of the Act, were laid before the Assembly for scrutiny in November 2015. Statutory guidance for part 9 (Co-operation and Partnership) was issued in January 2016. The final codes of practice, in relation to parts 7 and 8 of the Act (safeguarding and the role of Directors of Social Services) will be laid before the Assembly in early 2016, along with regulations in respect of consequential amendments.

The Act is made up of 11 parts. These are briefly summarised below:

1. Introduction – the introduction sets out definitions underpinning the rest of the Act. The Act moves away from definitions in previous legislation which used language such as age, illness and disability to 'people who need care and support' and 'carers who need support'. The definition of carers is far broader than articulated in previous legislation; removing the requirement that carers must be providing 'a substantial amount of care on a regular basis'.
2. General Functions – this part of the Act details overarching duties, duties in respect of well-being outcomes and strategic and operational duties in respect of preventative services.
  - Overarching duties – The Act requires that persons 'exercising functions' under the Act give due regard to the UN Principles for Older People (1991) and the UN Convention on the Rights of the Child.
  - Well-being Outcomes- this duty requires Local Authorities to be proactive in seeking to improve well-being for people who need care and support and carers who need support, when exercising social services functions for a person.
  - Population Needs Assessments - Local authorities and Local Health Boards are required to work together on a regional basis to produce an evidence base in relation to care and support needs and carers' needs. The first population assessment must be produced by April 2017.
  - Preventative services - local authorities **must** provide or arrange for the provision of a range and level of preventative services which they consider will prevent the people's need for care and support and stop needs from escalating. Authorities should promote well-being in delivering universal services.

- Social enterprises - local authorities must promote the development of social enterprises and co-operatives and/ or involve people and carers in the design and operation of care and support and preventative services.
  - Provision of information, advice and assistance - Each local authority – with the assistance of Local Health Board partners – must secure the provision of a service for providing people with information and advice relating to well-being, care and support in their area, and (where appropriate) assistance in accessing these.
  - Local authorities must develop registers of sight-impaired, hearing impaired and other disabled people
3. Assessing the Needs of Individuals – The underlying approach of this part of the Act is for adults and children to be assessed for care and support and carers to be assessed for support. The aim is to simplify the assessment process. Assessments should be proportionate. Welsh Government is currently working with key partners to develop a national assessment and eligibility tool.
  4. Meeting needs – The Act sets out duties to respond to identified needs. The national eligibility framework will bring with it an enforceable right for the individual. The final version of codes of the code of practice removes any reference to what had become known as the ‘can and can only’ test for accessing identified care and support. Care and support plans need to identify the role played by unpaid carers, parents, partners and other family members in an individual’s care and support. A care and support plan must identify the personal outcomes and set out the best way to help achieve them. Care and support plans will be portable across Welsh local authority boundaries. Local authorities have a duty to explore innovative ways people’s needs might be met through direct payments. A significant change is that direct payments can be used to purchase care and support direct from their local authority.
  5. Charging and Financial Assessment – This part of the Act identifies the circumstances in which a local authority may charge for providing or arranging care and/ or support including when an authority may charge for preventative services and provision of assistance. It also sets out how charges can be set, paid and enforced.
  6. Looked After and Accommodated Children – Part 6 of the Act largely re-enacts the provisions in part 6 of the Children Act (1989) relating to looked after children and the various extensive duties on local authorities to meet the care and support needs of ‘looked after’ children and care leavers.
  7. Safeguarding – Safeguarding is a theme that runs throughout the Act. A new duty to report is introduced for relevant partners in relation to safeguarding children. There is also a new duty for relevant partners to report adults who may be at risk. A new statutory framework for adult protection is introduced. Authorised officers of the local authority will be able to apply to the court for an adult safeguarding and support order. This will confer a power of entry to speak to an adult at risk, but not a power to remove. New structures for safeguarding boards are mandated, with board areas and lead partners prescribed through regulations.
  8. Social Service Functions – Part 8 of the Act specifies the social services functions of Local Authorities. Local Authorities must appoint a director of social services who must demonstrate competencies specified by Welsh Ministers. The code of practice in relation

to the role and functions of the director of social services is the subject of a current consultation. This part of the Act also provides for grounds for intervention by Welsh Ministers in the exercise of social services function, where a local authority is failing.

9. Well-being Outcomes, Co-Operation and Partnership – Statutory guidance has been issued in respect of part 9 reflecting that it related to partnership arrangements between organisations rather than the level of individual and organisational practice guidance. The guidance sets out arrangements for partnership arrangements and regional partnership boards. The statutory guidance requires regional partnership boards to prioritise integration of certain areas: older people with complex needs and long term conditions (including dementia), integrated family support services, learning disabilities, children with complex needs and carers (including young carers). In addition, the guidance now requires the establishment of pooled funds in specific areas: the exercise of care home accommodation functions, the exercise of family support functions and functions that will be exercised jointly as a result of an assessment carried out under section 14 of the Act or any plan prepared under section 14A.
10. Complaints and Representations – this part of the Act has three chapters – complaints and representatives, complaints about private social care and palliative care and advocacy services.
11. Supplementary and General – This part of the Act includes various miscellaneous and general provisions, one of which is a new duty to meet the care and support needs of adults and young people detained in the secure estate. By April 2016 LAs will need to have arrangements in place to assess, and meet, the care and support needs of those in the secure estate. This also includes the provision of information advice and assistance. This has significant implications in Monmouthshire as it is the local authority in which the prison is based which has responsibility for assessing and meeting the ‘care and support’ needs of prisoners whether they are from Wales, England or another nationality.

## **Social Services and Well-being Act Implementation**

### Regional Implementation

Welsh Government has made available a specific grant, the Delivering Transformation Grant (DTG) in each region of Wales to support implementation of the Act. A regional transformation team has been appointed, hosted by Torfaen CBC, for this purpose. Each region in Wales has been required to develop a high level regional implementation plan, against a nationally determined priority areas. A regional implementation plan has been developed for the Greater Gwent area. This sets out high level aims and objectives; below this there have been development of Operational Action Plans that provide more detail in key areas.

### Local Implementation

Whilst much of the activity to develop appropriate responses, policy and procedures is being co-ordinated at a regional level with the support of the regional transformation team, operational implementation needs to take place at a local level. There are considerable



workforce, ICT and financial implications for local authorities and significant new duties in the Act which individual authorities need to ensure compliance with. Select Committee will need assurance that robust process are in place within the authority to ensure that everything that needs to be is in place by April 2016. Synergy between Social and Services and Well-being Act implementation and work to implement the Well-being of Future Generations (Wales) Act is critical. Equally, the fit between local transformation programmes to deliver cultural and practice change and Act implementation is fundamental.

As final codes of practice are issued, baseline assessments are being undertaken at a local (as well as regional level) completed by the appropriate officers across the Council to develop action plans where necessary which can be reported to Senior Leadership Team, Select Committees and Cabinet. Action plans to address any deficits are also being developed.

#### Workforce Development

Local Authority Social Care Workforce Development (SCWDP) Grant was top-sliced in 2015/16 and allocated to the Care Council for Wales to develop a national learning and development resource to ensure the workforce is supported and informed to deliver social services in accordance with the Welsh law. The Institute of Public Care (IPC) was commissioned by the Council to develop training modules. Training to priority staff (team managers and senior practitioners) is commencing in January 2016 on 4 modules. The second tranche of training will commence in April 2015. Workforce Development Managers across the region have been working under the leadership of the Director of Social Services from Blaenu Gwent CBC , detailing how training will be delivered

#### **4. REASONS:**

The Social Services and Well-being (Wales) Act forms the legislative basis for social services in Wales from 6 April 2016 and Children and Young People's Select committee require assurance that Monmouthshire will be fully compliant with the Act within the prescribed timescales.

#### **4. RESOURCE IMPLICATIONS:**

Welsh Government have made some dedicated resource available for Act implementation on a non-recurrent basis. A grant award of £548,779 for the Greater Gwent partnership has been awarded for 2016/17 only. The individual parts of the Act will have resource implications and the detail is being developed, for example, the active offer of advocacy. The cultural and practice change and the paradigm shift to well-being and prevention is a more cost effective way of ensuring people live the lives they want to live as well as delivering better outcomes for people.

#### **6. SUSTAINABLE DEVELOPMENT AND EQUALITY IMPLICATIONS:**

The Act promotes equality and integration of people with disabilities and care and support needs.

**7. SAFEGUARDING AND CORPORATE PARENTING IMPLICATIONS**

The Act confirms the safeguarding responsibilities of the Authority and partners for children and young people and confers new legal duties in respect of adult safeguarding.

**8. CONSULTEES:**

SLT

**9. BACKGROUND PAPERS:**

**10. AUTHOR:** Claire Marchant, Chief Officer, Social Care and Health

**11. CONTACT DETAILS:** 01633 644487