

SUBJECT: MEDIUM TERM FINANCIAL PLAN 2018/19 to 2021/22 and DRAFT BUDGET PROPOSALS 2018/19 FOR CONSULTATION

MEETING: CHILDREN AND YOUNG PEOPLE SELECT

DATE: 7th December 2017

DIVISION/WARDS AFFECTED: All

1. PURPOSE:

- 1.1 To highlight the context within which the Medium Term Financial Plan (MTFP) will be developed for 2018/19 to 2021/22.
- 1.2 To agree the assumptions to be used to update the MTFP, and provide an early indication of the level of budget savings still to be found.
- 1.3 To update Members with the implications arising out of the provisional settlement announcement of Welsh Government.
- 1.4 To consider the 2018/19 budget within the context of the 4 year Medium Term Financial Plan (MTFP) to be incorporated within the emergent Corporate Plan
- 1.5 To provide detailed draft proposals on the budget savings required to meet the gap between available resources and need to spend in 2018/19, for consultation purposes.

2. RECOMMENDATION (to be undertaken by Select Committee):

- 2.1 To consider and provide feedback upon the budget assumptions, pressures and savings proformas affecting this Select portfolio area.

2 RECOMMENDATIONS (presented to Cabinet 22nd Nov):

- 2.2 That the budget assumptions outlined in paragraphs 3.11 to 3.16 in the report are agreed and updated during the budget process should better information become available.
- 2.3 That Cabinet acknowledges the draft response to the Welsh Government on the provisional settlement (Appendix 3).
- 2.4 That Cabinet approves that the consultation period and opportunity to present alternative proposals ends on 31st January 2018.
- 2.5 That the budget process (as outlined in paragraphs 3.6 onwards) is adopted including member budget scrutiny and consultation conducted with select Committees and consultation with JAG, schools budget forum and other relevant fora
- 2.6 That Cabinet approves the release of the draft budget savings proposals for 2018/19 for consultation purposes.

- 2.7 That Cabinet agrees to continue to work on the areas required to balance the 2018/19 budget and Medium Term Financial Plan (MTFP), through wider targeted activities that sit within the remit of Future Monmouthshire.
- 2.8 That Cabinet agrees to include the Future Monmouthshire budget of £200,000 as a base budget consideration from 2018/19 given the key role that Future Monmouthshire plays in facilitating a more sustainable and financially affordable future for Council activities.
- 2.9 To consider formal adoption of the Foundation Living wage as a financial planning assumption rather than Government Living wage. For 2018/19 the rates are £8.75 ph and £8.40 ph respectively. This would have a potential brought forward cost from 2019/20 pressures of £83.5k.

3. KEY ISSUES:

Background

- 3.1 Members will know that we have faced and will continue to face significant financial challenges. Over the last four years, the Council has had to manage £19.1 million of savings from its service budgets, whilst additionally also taking advantage of the cashflow savings effect of revising its capital finance arrangements of circa £3.3million. Funding from Welsh Government has reduced over the period and austerity looks set to continue for the foreseeable future. At the same time pressures on the budget have been increasing in terms of demographic growth, demand and expectations in children's services, contract price inflation and redundancy costs.
- 3.2 Whilst setting the budget annually within the context of a MTFP, the development of multi-year budget proposals has been a challenge. An ongoing forecast resource gap is being predicted however with the absence of future year's indicative settlements from Welsh government, planning for the future is challenging.
- 3.3 The *Future Monmouthshire* work programme recognizes that the challenges faced by the County and Council are not limited to financial pressures, but these should be seen in the round with other significant challenges. Taking a holistic approach to this work will ensure that the needs of our communities that we serve are put first within the financial constraints that we operate.
- 3.4 The year end position for 2016/17 and the current year monitoring continues to demonstrate the tightening of our financial position. The reports also assess the delivery of the savings we have previously identified. Overall the outturn position for 2016/17 delivered a small surplus, and meant that there was a minor opportunity to replenish some of our reserves.
- 3.5 A review of the earmarked reserves position was undertaken in June 2016 and agreed by Cabinet on 6th July 2016. The report highlighted that as reserves have been used extensively and there is less opportunity to replenish reserve balances as budgets get tighter, ear marked reserves need to work harder to help the Authority through the financial

challenges and risks it faces. Reserves should not be used to plug the funding gap and fund on going expenditure, they are needed to help with one off costs to invest and transform services so that they can operate within a reduced financial envelop. Having clearer protocols and responsibility assigned can help to ensure the return from the use of reserves in the future is maximised.

Medium Term Financial Plan Context - Budget Assumptions

- 3.6 Taking significant levels of resource out of the budget year on year has been a massive achievement. In reviewing this process, questions have been raised about whether it is sustainable going forward. Whilst the Future Monmouthshire work is making progress and establishing key themes to work on there is still some way to go to establish the future operating model for the Authority. Therefore a one year approach has been taken albeit within the context of the MTFP, whilst the corporate plan including a more medium term approach can be adopted next year.
- 3.7 Initially the proposed budget setting process involved comparing MCC unit costs and performance with those of other Welsh Councils to understand where the greatest opportunity was to make further savings. The activity data used by Improvement colleagues indicated little correlation with the resourcing. Three challenge panels were held with specific services to share the provocations. Most challenged the activity data, but didn't actively hold any better quality of information, but highlighted their work in informing/improving the national benchmarking context, which appears an evolving consideration.
- 3.8 So in the short term SLT has reverted again to asking all services in the organisation to consider how their services would look within a 5% reduction in the resources available to them. The principles adopted through the Future Monmouthshire work will form an important back drop for services to explore the options available to meet the more immediate budget challenges.
- 3.9 In rolling forward the current MTFP, services have been provided with an opportunity to identify any material pressures anticipated during 2018-19 and beyond, and a review of all the existing assumptions and pressures previously agreed for inclusion in the model has been undertaken and provides a basis on which to scenario plan for the future, whilst recognizing that we are building from an extremely challenging starting point.
- 3.10 For the purposes of modelling across the medium term, the MTFP had made initial provision for unidentified pressures of £2.5m in each of the years. This is seen as a prudent estimate based on pressures that have been incorporated into the budget process in recent years. Pressures have subsequently been updated, as shown in the table above, and will continue to be reviewed and updated as further information becomes available.

Inflation Indicators

3.11 As a reminder the following assumptions have been used across the 4 year MTFP window.

- Council Tax – 4.95% increase 2018/19, 3.95% increase per annum thereafter
- AEF Central Government funding – 2.6% reduction 18/19, 1.8% reduction thereafter
- Other external income – 2.5% increase per annum
- Pay inflation – 1% increase per annum
- Non pay inflation – 0%
- Vacancy factor – 2% (except schools)
- Superannuation – 22.1% (increasing 1% per annum)
- Schools Budget – 0%

3.12 Reserves – It is assumed that additional reliance on reserves, except for one off investment that has a net on going benefit to the revenue budget, will be avoided in the MTFP. Ear marked reserves are an important part of the MTFP strategy for managing the changes required and are key to financial resilience in times of extreme financial challenge.

3.13 Capital financing - Capital financing costs are currently based on the approved Capital MTFP, the funding budgets will need to be reviewed following the development of the next capital MTFP taking into account any slippage, review of capital receipts position and further approvals of schemes.

3.14 Other Corporate Costs, such as precepts and levies, will also be updated as information becomes available.

3.15 The assumptions highlighted above are based on the best information available at the current time, however they will be subject to variation as new information comes to light and our forecasting techniques are refined. The current assumptions show the following cumulative gap in the MTFP model:

Year	MTFP Gap £'000s
2018/19	4,804
2019/20	8,400
2020/21	11,724
2021/22	14,038

3.16 What is clearly shown in the table above is that there will be a significant gap in the MTFP to find. It should be noted that this is the gap at this moment in time and as further information comes to light, this will be taken into account and may alter the figures. At the moment £14 million will be a working target until more information becomes available.

Work to Balance the 4 Year MTFP and 2018/19 Specifically

3.17 After several years of taking significant resource out of the budget, the means of achieving further savings becomes increasingly more challenging. The work on Future Monmouthshire has meant some changes to the budget process for 17/18, and an increase of such benefit is anticipated for the 2018/19 budget process. Future Monmouthshire is about keeping the Council 'going' and 'growing' and whilst the pressure of 18/19 is immediate, a one-year process has been developed which aims to position short-term decisions in the context of a longer-term programme which aligns with the medium Term Financial Plan. A currently unquantified level of savings is proposed from Future Monmouthshire facilitating cross cutting savings. That amount will become more explicit through the budget setting process.

Links to Vision and Priorities

3.18 During the budget process, it is usual to compare the MTFP plan with the Council strategic priorities and single integrated plan, to ensure resourcing remains directed to best effect. However the Single Integrated Plan is currently in the process of being replaced by the Public Service Board (PSB partnership) well-being plan and objectives for Monmouthshire when agreed in 2018. The detail of the plan is currently draft and subject to PSB approval next week a consultation will take place from 13th November. Below sets out the vision and objectives which in essence will replace the Single integrated plan priorities in 2018.

3.19 Given the incremental approach towards budget setting, the proposed budget is aligned with traditional core priorities, as identified within the Administration's Mid Term Report and Continuance Agreement 2015-17, namely:

- direct spending in schools,
- services to vulnerable children and adults and
- activities that support the creation of jobs and wealth in the local economy,
- maintaining locally accessible services

3.20 The following table demonstrates the links at a summary level that have been made with such 4 priorities, and the strategic risks:

Proposal	Link to Priority Areas	Link to Whole Authority Risk assessment
Schools budgets continue to have regard for cash flat line considerations	During the initial modelling it was noted that £288k pressure has been acknowledged in addressing new ALN responsibilities and school exam pressures. There are conversely £487k savings, resulting in a net saving from CYP of £199k. Cabinet have requested that MTFP modelling includes the effect of schools pay award (1%) with an anticipated cost of £387k, to model investments exceeding savings.	Budget proposals are mindful of the risk in the register around children not achieving their full potential

Social care budgets will see additional resources going into the budget for Children's and adults social services to meet the pressures in these areas.	Services to protect vulnerable people Nobody is left behind	These proposals seeks to address the risks around more people becoming vulnerable and in need and the needs of children with additional learning needs not being met
The drive for service efficiencies savings has continued across all service areas in order to avoid more stringent cuts to frontline services.	Further reviews of management and support structures and streamlining of processes, contributes to the aims of creating a sustainable and resilient communities.	Addresses risks around the ability to sustain our priorities within the current financial climate
The need to think differently what income can be generated has been a clear imperative in working up the proposals.	Being able to generate further income streams responds to the consultation responses in previous years regarding a preference for this compared to services cuts and contributes to the aims of creating a sustainable and resilient communities.	

3.21 Whilst these strategic priorities may iteratively get reviewed and refreshed when incorporated into Single Integrated Plan, early sight of draft proposals suggests a potential continuing alignment.

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

Provisional settlement

- 3.22 The provisional settlement was announced on the 10th October 2017. The overall increase in the Welsh Government revenue budget is 0.2% and following decisions by the WG on its budget, the Local Government settlement was announced with an overall decrease across Wales of 0.5%. However, this includes additional funding for new responsibilities relating to homelessness prevention which in itself results in further unfunded pressures being placed on the Authority. The Welsh Government's statement makes reference to protecting key public services and that 'the settlement will allocate £62m for schools and £42m for social services'. However, there is no additional funding provided to protect these services or any explanation of how these figures have been arrived at. These should be regarded as being within the funding envelope announced which sees an overall reduction of 0.5%. The Minister has also provided an indicative settlement for 2019-20 which will see the local government settlement reduce by on average a further 1.5%. Our financial planning assumption for 2018/19 and thereafter remains at 1.8% reduction per annum, as it isn't common for MCC to derive funding at average levels.
- 3.23 For Monmouthshire the provisional settlement for 2018/19 has delivered a reduction in the Authority's Aggregate External Finance (AEF) of 1% after taking into account new responsibilities and transfers into and out of the settlement. The AEF across Wales ranged from a 0.2% increase in Cardiff to reduction of 1% in Monmouthshire, Blaenau Gwent, Caerphilly, Merthyr Tydfil, Powys and Conwy. All authorities suffering a 1% reduction have been benefitted from a funding floor. A table showing each authorities position resulting from the provisional settlement is included at Appendix 2 to this report. Monmouthshire remains at the bottom of the table in terms of AEF per head of population
- 3.24 There have been several known transfers of grant into the settlement, which in total amount to £2.14m for Monmouthshire. When the 1.0% reduction in the provisional AEF is compared to the 2.6% reduction modelled in the MTFP the Authority is better off by circa £1.4 million. A response to WG regarding the Provisional Settlement is attached as Appendix 3.
- 3.25 As mentioned above, in para 3.10, experience suggests that annual pressures experienced are of the order of £3.4 million, so a balancing item, known as unidentified pressures, has been used to bolster service identified pressures to this level. As pressures manifest themselves, unidentified pressures are reduced and replaced instead by specific aspects. Part of the strategy during the budget setting process will be to zealously consider and mitigate where possible identified pressures. This would allow any balance on "unidentified pressures" to be matched off against the deficit bottom line of the budget and avoid a need to generate additional savings.

3.26 Currently, summary identified pressures within the MTFP include,

Pressures by Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Children & Young People	675	66	0	0
Social Care & Health	1,108	1,124	857	70
Enterprise	699	0	0	0
Resources	161	0	0	0
Chief Executives Unit	135	72	75	62
Corporate Costs & Levies	286	29	0	0
Unidentified Pressures	392	2,145	2,276	2,368
Totals	3,455	3,435	3,208	2,500

Further detail is supplied in Appendix 4.

- 3.27 Other potential pressures which have not yet been factored in are currently being assessed. The budget is being prepared on an incremental basis, so it doesn't automatically presume continued funding of any initiative after its reserve funding has expired, or any new additions, so for instance currently it doesn't include any allowance yet for any net costs resulting from member consideration of Leisure, Culture and Tourism outsourcing proposals, any tranche B Future schools financing assumptions, or any borrowing presumption to continue to supplement capital DFG budget or afford waste services vehicle replacement, that in the main will be subject to separate reports of much greater detail. Other pressures can manifest themselves through introduction of new legislation. The above list includes statute introduced pressures known to date. Grant reductions are another common volatility during the budget process. If specific grants cease, it is expected that the activity will cease. Continuance of an activity following grant funding ceasing, would require a business case to assess each case on its merits.
- 3.28 Welsh Government has, subsequent to the provisional settlement, provided emerging details of the anticipated grants available nationally. Current national details are supplied in Appendix 1. Of note, are the significant reductions in Educational Improvement spending and Single Revenue Grant. The single Revenue Grant contains the funding that was traditionally supplied as the Sustainable Waste management Grant, part of that funding is anticipated to fall instead with RSG settlement figures, however the net decline in grant is greater than already anticipated within pressure forecasts. Also of note, Councils still do not have a comprehensive grant position regarding particular notable grants. Of particular interest to MCC, bus subsidy, concessionary fares and post 16 funding is unlikely to be available before December which continues to introduce an unfortunate element of volatility to the budget setting process.

Savings Proposals for 2018/19

- 3.29 Across the board, all service areas were asked to consider how their services would look within a range of reductions available to them, whilst simultaneously, looking ahead and

ensuring wherever possible, proposals support the medium term direction of travel. To in-build an additional element of review, all proposals have been considered and tested through an initial process of independent challenge by SLT and Cabinet members

3.30 The budget proposals contained within this report have sought to ensure these key outcomes and priorities can be continued to be pursued as far as possible within a restricting resource base. This does not, however, mean that these areas will not contribute to meeting the financial challenges. The aim is to make sure everything is efficient so that as broad a range of service offer, in line with those functions that matter most to our communities, can be maintained. Chief Officers in considering the proposals and strategy above have also been mindful of the whole authority risk assessment.

Extent of Summary Savings Identified to Date

Disinvestment by Directorate	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Children & Young People	(309)	(23)	0	0
Social Care, Health & Housing	(751)	(725)	(189)	(189)
Enterprise	0	0	0	0
Resources	(376)	0	0	0
Chief Executives Units	(505)	40	0	0
Corporate Costs & Levies	0	0	0	0
Appropriations	(296)	63	113	(86)
Financing	(530)	0	0	0
Totals	(2,767)	(645)	(76)	(275)

Further detail is supplied in Appendix 5.

Treasury Impact

3.31 The Capital MTFP will be considered as a separate report but for the purposes of establishing the revenue impact of the capital MTFP, the current assumptions presume that the 2017/18 capital programme will be incurred in full other than an anticipated slippage of £6million to Future Schools spend, that should have no effect on 2018/19 Treasury budget as the funding source remains capital receipts rather than borrowing.

3.32 Last year Members subscribed to £500k Treasury Headroom to assist with 5 likely schemes that did not have cost certainty during the budget setting process. Whilst there is still uncertainty around elements of tendered costs for these schemes, the following cost predictions have been presumed in relationship to these schemes.

- £300k was added to DFG's as a one off contribution in 2017/18 to reduce backlog. The Executive would like a continuance of this £300k extra resource to be modelled in the Capital MTFP for 2018/19. Its revenue consequence will need to be added to the MTFP during the budget process.
- Monmouthshire leisure centre cost circa £7.3m. After Future schools funding, section 106 usage and the service providing the majority of prudential borrowing from additional income, the core Treasury budget will absorb the remaining

annualised effect of £835k worth of funding afforded by unsupported borrowing (MRP starting 19/20).

- J & E block office costs. budget presumes £1.4million project, E block costs circa £400k, J block costs still to be confirmed (MRP starting 19/20). The intention is for such costs to be self financed from savings realised.
- Abergavenny Hub, budget presumes an indicative £2.3million (MRP starting 20/21).
- City deal contribution predicted to total £7.3million, with annual contributions increasing over 9 year duration, 2018/19 contribution expected to be £83k. (MRP presumed to start the full year after contribution made).

For MRP purposes all assets are presumed to have a 25 year life

- 3.33 Further work on the Treasury aspects of the budget are still being validated and include a review of the current year underspend, the profile of capital expenditure and potential slippage, a review of maturing debt over the medium term and the balance between the level of fixed and variable rate debt in the Council's portfolio. The balance of risk is an important consideration in this review as are the principles of security, liquidity and yield when considering any investment strategies.

Council Tax

- 3.34 The Council Tax increase in the budget has been modelled as 3.95% per annum across the MTFP as a planning assumption. As part of the savings proposals, an assessment of collection rates and growth in properties has been undertaken. Anticipated recovery rates reflect very high recovery practice (99%), such that there is little scope to increase such further. However a growth in properties has been presumed to achieve (net of Council Tax reduction scheme) an extra £530k income per annum, and is including in the savings table.

Summary position

- 3.35 In summary, the 2018/19 budget gap is now £243k, if all the pressures and savings proposals contained in the Appendix 4 are approved.

Services	Adjusted Base 2017/18 £000	Indicative Base 2018/19 £000	Indicative Base 2019/20 £000	Indicative Base 2020/21 £000	Indicative Base 2021/22 £000
Children & Young People	49,630	50,069	50,101	50,139	50,178
Social Care & Housing	42,953	44,780	45,448	46,428	46,626
Enterprise	8,495	9,959	9,475	9,518	9,580
Resources	7,687	7,606	7,626	7,706	7,787
Chief Executive's Unit	15,860	16,541	16,736	16,893	17,037
Corporate Costs & Levies	20,273	20,607	22,948	25,485	27,989
Sub Total	144,897	149,561	152,333	156,170	159,196
Transfers to reserves	167	201	162	70	30
Transfers from reserves	(504)	(1,009)	(127)	(96)	(188)
Treasury	7,883	7,792	7,670	7,783	7,697
Appropriations Total	7,546	6,984	7,705	7,757	7,539
Total Expenditure Budget	152,444	156,546	160,038	163,927	166,735
Aggregate External Financing (AEF)	(91,799)	(93,000)	(91,326)	(89,682)	(88,068)
Council Tax (MCC)	(47,744)	(50,637)	(52,617)	(54,674)	(56,813)
Council Tax (Gwent Police)	(10,421)	(10,186)	(10,369)	(10,556)	(10,746)
Council Tax (Community Councils)	(2,480)	(2,480)	(2,480)	(2,480)	(2,480)
Sub Total Financing	(152,444)	(156,303)	(156,791)	(157,391)	(158,106)
(Headroom)/Shortfall	0	243	3,247	6,535	8,629

Clearly there is a gap still to meet and further work is progressing through Future Monmouthshire to bring forward measures to balance to budget around the themes of services integration, commercialisation, adult care and procurement.

Reserves strategy

- 3.36 Earmarked reserve usage over the MTFP is projected to decrease the balance on earmarked reserves from £6.2 million at end of 2017/18 to £5.2 million at the end of 2021/22.
- 3.37 The approved Reserves strategy has sought to ensure that earmarked reserves are not used to balance the budget for ongoing expenditure and that they are instead used to the best effect and impact on one off areas of spend to help the authority transform itself to the new resource levels available to it. Taking into account that some of these reserves are specific, for example relating to joint arrangements or to fund capital projects, this brings the usable balance down to £1.4 million by the end of this MTFP window.
- 3.38 The general fund reserve forecast for the end 2017/18 predicts £7.1 million balance, and remains within the 4-6% of net expenditure range considered as appropriate to maintain. This will be updated for anticipated outturn following month 7 monitoring activities within the next fortnight.
- 3.39 Deficit school balances haven't been factored into general fund balance, as the focus will be one of reintroducing a net surplus position.

Next Steps

- 3.40 The information contained in this report constitutes the budget proposals that are now made available for formal consultation. Cabinet are interested in consultation views on the proposals and how the remaining gap may be closed. This is the opportunity for Members,

the public and community groups to consider the budget proposals and make comments on them. Cabinet will not however, be prepared to recommend anything to Council that has not been subject to a Future Generations Assessment and Equality Impact Assessment and therefore a deadline to receive alternative proposals has been set as 31st January 2018.

3.41 Public consultation (to include the formal requirement to consult businesses) and Select Committee Scrutiny of Budget proposals, will take place between the 1st December 2017 and the 31st January 2018. In the past four years we have undertaken extensive community engagement around the budget and the impact of any potential changes under the banner of #MonmouthshireEngages. The budget proposals contained within this report are extensions of previously agreed changes and in addition there has not been any substantive or material service developments; on this basis we will not be conducting another large scale public engagement. There will be opportunity for the community to provide consultation responses via public meetings to be held in Usk, meetings of the Schools budget forum, JAG, and other relevant fora and via the website and social media where details of the proposals will be published and a short film will be available.

3.42 The scrutiny of the budget proposals are key areas of this part of the budget process. The following dates have been set for Select committees:

Economy and Development – 30th November 2017

Children and Young People – 7th December 2017

Adults – 12th December 2017

Strong Communities – 4th January 2018

3.43 Deadline for the receipt of Community Council precepts is 31st January 2018

3.44 Consequently final budget proposals following consultation and receipt of the final settlement will go to a special Cabinet in mid Feb 2018 and Council Tax and budget setting will then take place at Full council on 1st March 2018.

4 REASONS:

4.1 To agree budget proposals for 2018/19 for consultation purposes

5. RESOURCE IMPLICATIONS:

5.1 As identified in the report and appendices

6. FUTURE GENERATIONS AND EQUALITY IMPLICATIONS:

6.1 The Wellbeing of Future Generations initial evaluation for the emerging 18-19 budget proposals has been developed in narrative form in appendix 6, ahead of formalisation of proposals and the completion of the official assessment framework. This enables setting out of the backdrop to the emerging proposals, commentary on how the process has been developed; its various iterations and the picture it paints as a whole for the county of Monmouthshire. Presenting in this way at this stage provides an opportunity to demonstrate the dynamic and real-time nature of the approach. In addition, it helps to highlight application of continual learning and improvement.

6.2 In the past and notwithstanding the council's strong record on financial planning and delivery, achieving the goal of keeping frontline services going and strengthening commitments to sustainability and resilience, the budget has tended to be developed

through the setting of targets, directorate-led approaches and a relatively uneven smattering of proposals. Whilst under this budget round, individual directorate's have still put forward proposals – this process has been more in keeping with our Future Monmouthshire programme and the design principles that guide how we keep our county 'going' and 'growing'. It signals very clearly, that money should follow purpose and priorities and not precede them.

- 6.3 It must be borne in mind that this WFG evaluation is an early one, applying to budget *proposals* only at this pre-consultation, pre-decision stage. The aim of the narrative in appendix 6 is thus, to demonstrate the 'live' nature of the process and the application of robust and ongoing scrutiny and challenge as the proposals continue to be shaped and honed in line with what matters.
- 6.4 The emerging budget proposals for 18-19 are more than a standalone one-year budget. As a contributor to our wider Future Monmouthshire work, they help build a bridge between the present we have and the future we wish to see. With a blend of ongoing sustainable efficiencies; continued income generation and a focus on investing in areas such as education and social care – where returns in terms of service outcomes and financial benefits are starting to pay early dividends – the platform is building for the development of more targeted 'big ticket' interventions. We are not kicking the 'too difficult' problems into the long grass. As well as keep the Council 'going' – work is underway to keep it 'growing' – as these proposals clearly demonstrate. Proposals to review the development plan, as a means of addressing demographic and economic pressures is underway. Exploration of targeted procurement opportunities that save money and create local markets is taking shape. A 'challenge-driven' approach to tackling rural transport issues is being developed. Exploration of machine learning, artificial intelligence and automation are contributing to the ways in which we must re-imagine services and the positive impact they can have on the lives of people and communities in Monmouthshire - now and in the future.
- 6.5 Further to the narrative provided in appendix 6 the wellbeing of future generations impacts of the saving proposals have been initially identified per Directorate in Appendix 4. As the impact on services has been kept to a minimum, no significant negative impact has been identified. Further consultation requirements have been identified and are on going. As stated above further assessment of the total impact of the all the proposals will be undertaken for the final budget report.

The actual equality impacts from the final budget report's recommendations will be reviewed and monitored during and after implementation.

7. CONSULTEES:

SLT
Cabinet
Head of Legal Services

8. BACKGROUND PAPERS:

Appendix 1: Welsh Government Provisional Settlement – National grant notification
Appendix 2: Welsh Government Provisional Settlement – Aggregate External Funding
Appendix 3: Proposed letter in response
Appendix 4: Details of pressures
Appendix 5: Details of savings proposals

Appendix 6: Future Generations Evaluation

9. AUTHOR:
Mark Howcroft
Assistant Head of Finance

10. CONTACT DETAILS:

Tel: 01633 644740

E-mail: markhowcroft@monmouthshire.gov.uk

Appendix 1 - Details of Welsh Local Government Provisional Revenue Settlement 2018-19

Table 9: List and estimated amounts of Grants for total Wales

Existing Grant name	2017-18	2018-19
Communities and Children		
Supporting People	123.688	123.688
Flying Start Revenue Grant	76.052	76.052
Families First	38.352	38.352
Communities First	19.647	0.000
Childcare Offer	10.000	25.000
Communities for Work	7.120	7.199
Cardiff Bay Legacy	5.891	5.400
Promoting Positive Engagement for Young People	4.330	4.330
Out of School Childcare	2.300	2.300
Violence against Women, Domestic Abuse & Sexual Violence Grant	1.938	2.438
St David's Day Fund	1.000	1.000
Lift	0.990	0.000
National Approach to Advocacy	0.550	0.550
Community Cohesion	0.360	0.360
Maintaining the Delivery of the Wales Adoption Register	0.172	0.172
Armed Forces Day	0.035	0.100
Remploy Employment Support Grant	0.006	0.002
Communities First Legacy	0.000	6.000
Communities Work Plus	0.000	10.050
Economy and Infrastructure		
Concessionary Fares	60.466	NA
Bus Services Support Grant	25.000	NA

Bus Revenue Support Traws Cymru	3.057	NA
Road Safety Grant	2.000	2.000
Young Persons Discounted Bus Travel Scheme	1.000	NA
Bus Revenue Support	0.546	NA
New Developments	0.500	0.000
Enterprise Zones	0.271	0.064
Ports Development Fund	0.090	NA
Community Rail Partnership	0.065	NA
Travel Plan Co-ordinators	0.011	0.000
Education		
Education Improvement Grant	133.282	118.137
Pupil Development Grant	91.333	91.333
Pioneer Schools	7.895	NA
Youth Support Grant	3.856	3.470
Reducing infant class sizes grant	2.000	3.000
School Uniform Grant	0.700	0.000
Modern Foreign Languages	0.480	0.432
Senior Business Managers	0.200	0.200
Mentoring and Networking Support for Headteachers	0.150	NA
National Numeracy Tests - Supported Marking Grant to Consortia	0.020	0.020
Environment and Rural Affairs		
Single Revenue Grant - See note below	61.790	20.793
Waste Infrastructure Procurement Programme - Gate Fee Contributions	7.507	7.867
Animal Health & welfare Framework Funding	0.200	0.200
Renewal of Grant for the South Wales Regional Aggregate Working Party	0.050	0.050
Waste Planning Monitoring Report - North Wales and South East Wales	0.049	0.049
Waste Planning Monitoring Report - South West Wales	0.025	0.025

Finance and Local Government

Cardiff Capital City Deal	20.000	10.000
---------------------------	--------	--------

Lifelong Learning and Welsh Language

Post-16 Provision in Schools	98.587	NA
Adult Community Learning	4.307	NA
Additional Learning Needs Innovation Fund	1.320	0.000
Learning in Digital Wales (Phase 2)	0.500	0.450
Promote and Facilitate the use of the Welsh language	0.314	0.314
Development of the Seren Network	0.120	0.250

Social Services and Public Health

Welsh Independent Living Grant	27.000	RSG
Substance Misuse Action Fund	22.663	22.663
Social Care Workforce Grant	19.000	RSG
Expanding Edge of Care Services	5.000	RSG
Carer's Respite Care Grant	3.000	RSG
Support for Care Leavers	1.650	RSG
Reflect Project	0.850	RSG
Secure Estates	0.412	RSG
National Framework for Fostering	0.400	RSG
Development of Adoption Support Services in Wales	0.215	0.090

All Grants	900.454	584.424
-------------------	----------------	----------------

All Grants excluding NA (for like-for like comparison)	606.861	584.424
---	----------------	----------------

1 The information shown above details the total amount of each grant. Some grants may be split between local authorities and other bodies

2 It is important to note that amounts for future years are indicative at this stage and are liable to change

3 Formal notification of grant allocations is a matter for the relevant policy area

NA = figures not available at time of publication

RSG = funding transferring to Revenue Support Grant

Single Revenue Grant - £35m of Waste Budget element transferred to Revenue Support Grant

Provisional

Table 1c: Aggregate External Finance (AEF) plus top-up per capita, by Unitary Authority, 2018-19

Unitary Authority	2018-19 provisional Aggregate External Finance plus top-up funding (£'000s)	Provisional Aggregate External Finance per capita (£)*	Rank
Isle of Anglesey	94,924	1,353	11
Gwynedd	173,859	1,406	9
Conwy	152,770	1,307	15
Denbighshire	142,144	1,488	5
Flintshire	187,816	1,212	19
Wrexham	173,485	1,242	18
Powys	172,644	1,309	14
Ceredigion	99,905	1,309	13
Pembrokeshire	160,084	1,290	17
Carmarthenshire	257,960	1,386	10
Swansea	316,499	1,293	16
Neath Port Talbot	210,832	1,492	4
Bridgend	190,718	1,335	12
The Vale of Glamorgan	151,996	1,185	21
Rhondda Cynon Taf	362,219	1,519	2
Merthyr Tydfil	89,683	1,514	3
Caerphilly	265,600	1,467	6
Blaenau Gwent	109,761	1,581	1
Torfaen	130,800	1,422	8
Monmouthshire	93,000	1,001	22
Newport	211,682	1,423	7
Cardiff	437,867	1,193	20
Total unitary authorities	4,186,247	1,339	

* Based upon 2014-based, 2018 population projections

Appendix 3 – Proposed Response to Welsh Government on the Provisional Settlement

Simon Edwards
Local Government Funding Policy Branch,
Welsh Government,
Cathays Park,
Cardiff.
CF10 3NQ

Your Ref/Eich Cyf:
Our Ref/Ein Cyf:
Date/Dyddiad:
File Ref:
The Person dealing with
this matter is/ Y
Person sy'n delio gyda'r
mater yma yw:
Tel/Ffôn: 01633 644270
Fax/Ffacs: 01633 644260
e-mail address/ cyfeiriad
e-bost Monmouthshire.gov.uk

Dear Mr. Edwards,

Re: Provisional Local Government Settlement 2018/19

Thank you for the opportunity to comment on the Provisional Settlement announced recently. This response has been endorsed by Monmouthshire County Council's Cabinet and provides the views of members.

This is a disappointing settlement for local government across Wales and follows reductions that Councils have experienced in recent years. The Welsh Government has chosen to use additional money passed to it by the UK government in ways that don't best meet the needs of the people in Wales.

Monmouthshire has yet again received one of the worst settlements in Wales receiving 1% less than the previous year and the settlement continues an eight-year run of real terms reductions to local government funding in Wales. This does not take into account the current inflation rate of 2.7% and therefore represents a 3.7% real term reduction in funding. While the average cut to Welsh councils is 0.5%, Monmouthshire's 1% decrease, shared with five other counties, is the biggest in Wales.

The provisional settlement has done nothing to alleviate our position as the worst funded Council in Wales per head of population. The average per capita funding in Wales is £1,339 compared to Monmouthshire's £1,001.

The Council is very conscious of the pressures on household budgets and so the Council is doing its utmost to deliver a balanced budget but this will inevitably put pressure on Council Tax rises.

Monmouthshire welcomes the commitment to providing a funding floor to mitigate any volatility. Looking forward to 2019/20 and beyond, the prospect of continuing austerity remains and is set against very real pressures in already stretched services. Whilst Monmouthshire welcomes the provision of an indicative revenue settlement for 2019-20 the provision of indicative revenue settlements for the next three years would help Councils in planning for the future through these very difficult times.

As a rural authority Monmouthshire is confronted by particular challenges in offering services like social care, waste collection, transport and highways across a wide area. Indeed, the council has recognised these difficulties by prioritising the maintenance of locally accessible services to combat rural isolation. Monmouthshire calls on the government to base funding on

a fairer system, acknowledging the problems rural counties face when providing services. There are also a range of preventative services that will not survive unless the Welsh Government has a long hard look at the way it allocates money across the totality of public services.

Monmouthshire calls for more transparency around some of the figures in the provisional settlement announcement. The settlement suggests increases in funding in education and social services of £62m and £42m respectively. However, there is no additional resource to protect them or explanation of how these figures have been calculated. The all-wales settlement for local government has quite simply reduced been reduced by 0.5%.

Monmouthshire supports and encourages the transfer of specific grants into the settlement and is disappointed that more progress has not been made in this regard.

If there are opportunities to put more grants into the final settlement this would be welcomed providing it continues to be distributed on the same basis as the original grant to prevent large changes at a very late stage in the process.

On capital account, the settlement does not address the previous reductions in capital funding and is still therefore a serious concern, especially as it comes at a time when councils are struggling to raise capital receipts from asset sales. The need to invest in priority areas such as 21st Century Schools, waste management, carbon reduction and infrastructure remains high, with WG support remaining a critical success factor.

Despite the fact that the reasons for the level of the provisional settlement are both known and understood, it is difficult to reconcile the revenue and capital settlements with the increasing expectations and demands on local council services are continuing to grow. Councils will face difficult decisions in reconciling budgets next year and in the medium term and it is important that the WG recognises the need for difficult decisions, is supportive of local authorities facing difficult times and does not promote undeliverable policy expectations. This is a time for us all to work together to minimise the consequences of the downturn in public finances on the most vulnerable in society and to send clear and consistent expectations to the public we exist to serve.

Yours sincerely,

Councillor Philip Murphy – Cabinet Member

Appendix 4 – Pressures Proformas

Pressure	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Page Reference
CYP P1 New Bill Responsibilities ALN	121				23
CYP P2 Exam Fees	167				33
CYP P3 School staff (pay award 1%)	387				41
SCH P3 Childrens Services Overspend (£561k tot)	113	189	189	70	42
SCH P4 Safeguarding Post	60				49

CYP PRESSURES

Pressure Mandate Proposal Number: CYP P1

Pressure Mandate Title: New Bill Responsibilities ALN

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

Mandate Completed by	<i>Sharon Randall-Smith</i>
Date	<i>08/11/2017</i>

Why is this pressure required?

There will be an additional pressure to the ALN budget as the local authority implement the additional requirements of the new ALN Bill and revised Code of Practice because:

- the local authority will be responsible for providing strategic oversight of the system and for supporting mainstream schools to fulfil their duties
- the local authority will have a role in the identification of ALN and providing expertise where necessary to meet the needs of learners and supporting education settings to deliver these functions. This means that additional officer time will be needed to provide enhanced support and advice to schools and settings during the implementation period
- the local authority will have additional responsibilities in respect of Early Years and for young people up to the age of 25 years, compared to the current 3 – 19 years, increasing the number of live cases in the authority by almost 50%
- statements of SEN will cease and be replaced by Individual Development Plan (IDP). This process will take a period a minimum of two years during which time both systems will run concurrently
- the time line for completing an IDP is up to a maximum of 10 weeks compared to the current 26 weeks for a statutory statement of SEN
- the development of IDPs will be based on a person centred approach that will require a multi-agency approach and will take time to develop, refine and quality assure, increasing demands on officer time to attend multi-agency meetings
- the local authority will have a statutory duty to provide avoidance and resolution of disagreement processes

- additional Educational Psychology (EP) clinical expertise and advice will be required to accommodate increases in numbers of children and young people and attendance at multi-agency meetings
- Appeals to ALN Tribunals and DDA will increase as a result of the introduction the New Bill, especially during the early transition period because there is some ambiguity about the legal status of an IDP and no existing precedent
- the increase in demand to deliver statutory services will result in an increase in administration time needed to maintain recording and reporting systems

How much pressure is there and over what period?

The pressure arises from:

- the additional work force required to introduce and implement two complex and legal statutory systems concurrently
- the extension of the age range covered by the New Bill and subsequent increase in numbers
- an increase in the demand for Officer, EP and multi-agency partner time to provide advice and support to education settings
- an increase in time for officers preparation for and attendance at ALN Tribunals and DDA under the New Bill
- an increase in officer time to facilitate resolution and disagreement processes

The pressure will be at its most intense over the initial two years in terms of increased workload and the manageability of the implementation. It will be important during this period to ensure that we have the capacity to implement the changes effectively so that there is confidence in the quality and impact of the process going forward.

Once the new systems and processes become embedded, new pressures are likely to emerge to support increases in the number of children and young people with IDPs and accessing additional provision, however, until the New Bill and Code are finalised, the extent of this increase is unclear.

Directorate & Service Area responsible

Children and Young People
Additional Learning Needs

Mandate lead(s)

TBC

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?

Name	Organisation/ department	Date
Welsh Government Statutory Bill	NA	September 2018?

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	10 th October 2017	
Other Service Contributing to / impacted		
Senior leadership team		
Select Committee		
Public or other stakeholders		
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date
Welsh Government Statutory Bill	NA	NA

Final pressure approved by Cabinet	Date:
---	--------------

1. Vision and Outcomes of the Pressure Mandate

Give a business context for the budget pressure. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the pressure mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
<ol style="list-style-type: none"> 1. All learners' needs are identified early, addressed quickly, and their views, wishes and feelings are at the heart of the planning processes so that they can participate in and enjoy learning 2. The Local Authority will comply in full with all statutory duties under the New Bill and ALN Code of Practice

Expected positive impacts
<p>Additional capacity within the Directorate will ensure:</p> <ul style="list-style-type: none"> resources and support are in place to manage the transition from the current system for meeting the needs of children and young people with ALN to the new system sufficient time and capacity is available to introduce IDPs without undue pressure so that they are of good quality and of equitable quality across the county there is sufficient capacity to develop and embed effective multi-agency working practices so that everyone involved in supporting the child or young person can work in their best interests and minimise the need for avoidance and resolution of disagreements procedures adequate officer time is available to provide support and advice to schools and settings up to the age of 25 years. effective arrangements are in place to develop and facilitate avoidance and resolution of disagreements procedures to reduce the number of appeals to ALN Tribunals wellbeing and good will of staff is maintained
Expected negative impacts
<p>The implementation of the New Bill will:</p> <ul style="list-style-type: none"> significantly increase officer workload a significantly greater demand on officer time significantly increase the workload of the ALNCo in schools require additional financial resources to meet the needs of a wider remit and age range of pupils, particularly where these are health needs, for example diabetes, that are not currently included within the existing bill. place pressure on schools to meet the requirements of the new Bill without support and within existing resources require a significant investment of time to support parents, children and young people through the process and effectively manage expectations result in some parental opposition as the legal status of IDPs is unclear at this point and the process is untried across the system as a whole

2. Pressure proposed

Show how the budget pressure has been evidenced and will increase the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the pressure.

What is the evidence for the pressure? How has it been estimated?
<p>2 officers 1 admin</p>

Additional EP time								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				17/18	18/19	19/20	20/21	
ALN and Admin	£115,216		NA	£57,132	£67,677	£43,487	£0	£168,296
EPS	£220,614		NA	£30,926	£53,323	£22,328	£0	£106,577

3. Actions required to minimise the pressure

Describe the key activities that will be undertaken to minimise the investment required and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
Appointment of Officer with Post 16/ALN expertise (1 fte) [two year fixed term]	CYP ALN	September 2018
Appointment of Officer with Early Years/ALN expertise (0.5 fte) [two year fixed term]	CYP ALN	September 2018
Appointment of Administration Officer [30 hours]	CYP ALN	September 2018
Appointment of Educational Psychologist [0.5]	CYP ALN	September 2018

4. Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposed mandate successfully. For example new expertise and knowledge etc.

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)

Training on the New Bill for Officers/Schools	WG and Region	Office space/ICT and equipment/travel/release time
Training for Administration Support on systems and processes	LA internal training	System Licence for One
Educational Psychology expertise across a wider age range for example EY and post 16	Recruitment	Office space/ICT and equipment/travel

5. Measuring performance on the mandate

How do you intend to measure the impact of the investing in the pressure identified? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the mandate where appropriate.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2017/18	Actual 2018/19	Actual 2019/20	Target 2017/18	Target 2018/19	Target 2019/20
Customer	Number of cases appeal to ALN Tribunal	1	8	4	2	2	1
Process	Timeline for conversion for Statutory statement to IDP on target	NA	New measures	New measures	New measures	New measures	New measures
Schools	Proportion of IDP Reviews completed on time	NA	New measures	New measures	New measures	New measures	New measures
Staff	Local Authority IDPs issued on time	NA	New measures	New measures	New measures	New measures	New measures

6. Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the outcomes expected from investing in the pressure identified, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions
LA does not comply with statutory duties	Strategic	The New Bill places a far wider range of duties on Local Authorities across an extended age range up to 25 years.	High	Increase in workforce to meet the increased demand
Judicial Review resulting from non-compliance	Strategic	If the local authority do not comply with statutory timescales we will be vulnerable to judicial review	High	Increase in workforce to meet the timescales and follow processes in the new Bill
Engagement with wider agencies is inadequate	Strategic	Person centred planning, supported by all of the relevant agencies is at the heart of the new Bill. Unless the engagement is purposeful and effective, we will not meet the needs of the child or young person appropriately.	High	Work has started to train schools in PCP processes. CYP will take the lead on developing engagement with wider agencies ahead of the implementation of the new Bill.
Greater reliance on providers to enable the LA to meet statutory deadlines	Operational	Not all agencies are legally required to comply with the new Bill and therefore delays from these partners will result in the LA missing statutory deadlines.	High	
Officer wellbeing	Operational	There is a significant increase in the workload for staff compared to the current system.	High	Increase in workforce will maintain officer wellbeing

Increase in appeals to ALN Tribunal resulting in increased costs to the LA	Operational	Given the current uncertainties surrounding the legal status of IDPs we expect the number of appeals to Tribunal to increase. In the current version of the new code pupil voice and the wishes of the parent appear to take priority.	High	Early development and introduction of avoidance and resolution of disagreements procedures
Educational providers do not have sufficient support to discharge their duties in full under the new code	Strategic	There is a significant deficit in skills and expertise within LAs and schools to enable them to deliver the new Bill. WG have committed to providing training to support the implementation however, it is unclear if this will be completed before implementation. This is particularly significant for ALNCoS.	High	Training will be delivered regionally supported by WG through the Innovation Grant.

7. Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
The New Bill will be introduced in its	The timescale has been set by Welsh Government	Welsh Government

current form by the due date of September 2018		
Current levels of ALN and EPS staff remain and any new staff are additional	The current level of staffing is not sufficient to ensure that the Local Authority will be able to adhere to statutory requirements and deadlines during the period of transition from the current to the new system.	The department believe that additional capacity is required and this view is supported by ADEW based on information from other LAs

8. Options

Prior to the pressure mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. (see options appraisal guide for further information)

Options	Reason why Option was not progressed	Decision Maker
1. Capacity of ALN Team remains unchanged	The New Bill will not be implemented in line with statutory Welsh Government timelines	
2. Full implementation of the proposal	The New Bill will be implanted in full and in line with WG timelines	

9. Monitoring the pressure mandate

The pressure mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the pressure mandate, including the performance being achieved and the level of impact.

Pressure Mandate Proposal Number : CYP P2

Pressure Mandate Title : Secondary School Examination Fees

All information requested must be completed on the proposed mandate to enable the Cabinet to decide whether to proceed with the proposal.

Mandate Completed by	<i>Nikki Wellington</i>
Date	<i>05/10/2017</i>

Why is this pressure required?

Secondary schools have seen a significant increase in their pupil exam entry costs over the last few years due to the monopoly that WJEC have. Also, the number of entries have risen considerably due to the introduction of national compulsory sittings and registration fees e.g. Welsh Bacc, Numeracy GCSE. For each GCSE, the cost per exam is £35 where the minimum number of exams per pupil is 9. For the Welsh Bacc, which is now compulsory, there is an additional registration fee of £46 per pupil. At KS5, this fee rises to £66 per pupil, plus £51 per exam entry.

How much pressure is there and over what period?

£167,000 per year, across all secondary schools. This ranges from £30k to £57k per school.

Directorate & Service Area responsible

CYP Finance

Mandate lead(s)

Nikki Wellington

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/ department	Date
All secondary schools	Business Managers	May 2017

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	10/10/2017	
Other Service Contributing to / impacted		
Senior leadership team		
Select Committee		
Public or other stakeholders		
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date
We will consult with secondary schools on distribution if the pressure is realised		

Final pressure approved by Cabinet	Date:
---	--------------

1 Vision and Outcomes of the Pressure Mandate

Give a business context for the budget pressure. This must pick up on the vision and what the new / improved / reduced service will look like in the future including the anticipated experience of users. It must also consider any impact on the Council's key priorities and strategic outcomes. Similarly does it impact on service performance within the immediate service area or any impact on other services provided by the authority / any other providers. In doing so, the pressure mandate must be tested against the equality impact assessment and sustainable development impact assessment and must consider impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
<p>Funding to schools would be more reflective of actual costs being incurred and therefore remaining funding devolved to schools can be better targeted towards teaching and learning as it is intended. This would be direct investment in Welsh Government priorities to give our learners the best outcomes possible and ensure appropriate pathways into further education.</p> <p>This would be specifically targeted to Year 11, therefore allowing the remaining school budget not to be subsidising other areas.</p> <p>Given that education is compulsory up until the age of 16, parents cannot be asked to make a financial contribution.</p>
Expected positive impacts
As per point above.
Expected negative impacts
None.

2 Pressure proposed

Show how the budget pressure has been evidenced and will increase the current service budget. This must cover each year implicated. This section must also cover any other efficiency that will arise from the pressure.

	What is the evidence for the pressure? How has it been estimated?
	All four business managers have individually calculated the additional financial cost of having to enrol their current co-hort of pupils onto the new compulsory examination sittings at their school. CYP Finance have

collated this information and the total additional cost of these new examinations amounts to £167,000. We have been able to verify these costs against invoices processed through Agresso.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				17/18	18/19	19/20	20/21	
Schools	£124,000	£167,000	N/A		£167,000	Then in base	Then in base	£167,000 in 18/19, and then for that to remain in CYP base budget.

3 Actions required to minimise the pressure

Describe the key activities that will be undertaken to minimise the investment required and the action holders. This includes any actions contributed to by other services. Give the timescales to complete the work. This must also factor in any business activities that will need to be done differently or cease in order to achieve the mandate.

Action	Officer/ Service responsible	Timescale
This is a requirement of Welsh Government – examination entry is compulsory.		

4 Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposed mandate successfully. For example new expertise and knowledge etc..

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
None – as schools have been subsidising this for a number of years, hence a significant contribution towards the deterioration of secondary school balances.		

5 Measuring performance on the mandate

How do you intend to measure the impact of the investing in the pressure identified? This will include budget measures and further possible measures that cover process, staff and customers. Targets need to be set over the duration of the mandate where appropriate.

Focus- Budget / Process / Staff / Customer	Indicator	Actual 2017/18	Actual 2018/19	Actual 2019/20	Target 2017/18	Target 2018/19	Target 2019/20
Budget	Direct improvement to year end projected balances.	-	£167,000		-	£167,000	-

6 Key Risks and Issues

Are there any potential barriers and risks that will need to be managed in delivering the outcomes expected from investing in the pressure identified, including any negative impacts identified in section 1 that need to be accounted for. Also, set out the steps that will be taken to mitigate these.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score assessing the probability & impact	Mitigating Actions
WJEC increase costs further as they have the monopoly.	Strategic	ADEW currently establishing the increases in cost/volume over the past few years to see whether they are in line with the English system.	Medium	This can only be challenged at a national level as this would require a Welsh Government change of policy.

7 Assumptions

Describe any assumptions made that underpin the justification for the option.

Assumption	Reason why assumption is being made (evidence)	Decision Maker
None made. All based on actual costs.		

8 Options

Prior to the pressure mandate being written, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded. (see options appraisal guide for further information)

Options	Reason why Option was not progressed	Decision Maker
Do nothing.	Continuation in the decline in secondary school reserves.	CYP DMT.

9 Monitoring the pressure mandate

The pressure mandates must be monitored through directorate budget monitoring. This will lead into corporate budget monitoring. In addition the action plan, performance measures and the risk assessment must be transferred into the service plans for the business area in order to monitor and challenge the delivery of the pressure mandate, including the performance being achieved and the level of impact.

SCHOOLS PAY AWARD 1% (CYP P3) EXPLANATION

Recent annual budget settlements have introduced cash flat line considerations to schools budgets.

Initial examination of CYP pressures (£288k) and savings proposals (£487k) introduces an indicative net saving of £199k.

Cabinet have requested that initial MTFP modelling includes the provision of 1% pay award for staff.

This has been calculated as circa £387k in 2018/19.

SCH PRESSURES

Budget Project Pressure and Savings Proposal Combined 2018/19 (SCH P3)

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Jane Rodgers
Date	05/10/17
Reference Number	SCH P2

Service area	Children's Services
Directorate	SCH
Savings targets (based on 17/18 budget)	
2018/19	Savings = £112,564 (£357,217 off set by £244,653* workforce pressures) Anticipated Overspend b/fwd from 2017/18 = £561,000 Overspend c/fwd = £448,436
2019/20	Savings £189,294 Overspend b/fwd from 2018/19 = £448,436 Overspend c/fwd = £259,142
2020/21	Savings £189,294 Overspend b/fwd from 2019/20 = £259,142 Overspend c/fwd = £69,848
2021/22	Savings = £189,294 Overspend b/fwd from 2020/21 = £69,848 Net Savings = £119,446

* £244,653 is the worst case scenario taken from the business case for workforce pressures

CURRENT PROJECTED OVERSPEND for the Service @ M5 = £641,000 (based on dynamic forecasting model) of which £80,000 relates to pressure of agency staff = £561,000 (see business case)

Project lead & Key project team members	Jane Rodgers Rhian Evans Charlotte Drury Tyrone Stokes / Rob Long Claire Robins Craig Williams
--	---

1 Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

Delivering Excellence in Children's Services

Monmouthshire Children's Services are currently implementing a 3 year improvement programme with inter-related work streams spanning areas of workforce, social work practice, commissioning, expanding placement provision, increasing our in-house fostering provision, edge of care and family support. The project aims to achieve sustainable change which is built on best practice foundations and within that to achieve a financially sustainable service that makes best use of resources both regionally and locally.

Expected impact of the project?

3 areas have been identified where savings could be achieved.

1. Increasing opportunities for children with more complex / specialist needs, currently placed in residential placements, to be cared for by MCC carers
2. Incentivising Independent Fostering Agency (IFA) carers **currently** looking after MCC children to transfer to MCC terms and conditions
3. Recouping the financial contribution from Health for a young person who meets the criteria for continuing care

2 Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?			
	Year	Proposed Savings (£)	Proposed income generation (£)
1	2018/19 and over each subsequent year	Unit Cost Residential = £194,096 Unit cost MCC carer (enhanced package / IFA) = £46,084 Unit Cost saving = £148,012	Bring back 1 child from residential to foster care
2	2018/19 Each subsequent year	Unit cost IFA = £46,084 Unit cost MCC carer = £25,443 Unit cost saving = £20,641 Proposed saving 2018/19 = £103,205 Proposed yearly saving over 3 subsequent years = £41,282	Transfer carers from IFAs to MCC carers, 5 placements in the first year and 2 in each subsequent year.
3	2018/19 only	7 months of 50% placement costs = £106,000	Achieve health contribution @ 50% for one placement where continuing health care is met

NB UNIT COSTS USED ARE BASED ON M2 FORECASTS YEAR 2017/18

3 Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
Do Nothing
Reason why not progressed/progressed?
<ul style="list-style-type: none"> In line with national and local trends, demands for Looked After Services will continue to increase. To do nothing would increase cost to MCC through on-going reliance on IFA and residential placements Achieving Monmouthshire carers for Monmouthshire children is in keeping with intended strategic direction and should help us achieve better outcomes for our Looked After Children.
Option 2
Proposed ADM for fostering
Reason why not progressed/progressed?
<ul style="list-style-type: none"> Regional delivery models will be implemented in the medium term under the National Fostering Framework and through the Children and Families Regional Partnership. MCC require a short-term solution that will work in parallel with the development of regional ADMs

4 Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
<u>Implementation of Fostering Project</u> <ul style="list-style-type: none"> Recruitment and Retention carers Targeted care planning for individual children currently in residential settings Targeted recruitment of carers specific to individual children 	Already commenced and on-going

<ul style="list-style-type: none"> - Increase 'bespoke' offers for 'therapeutic carers' - Development of family support within CS including foster carers - Target specific recruitment for individual children current with IFA carers - Development of enhanced fee structure and support packages for complex children 	
<u>Continuing Care</u> <ul style="list-style-type: none"> - Use existing mechanisms to implement dispute resolution for individual young person - Develop integrated CHC policy with ABUHB for shared decision making in complex cases and dispute resolution process 	Already commenced

5 Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
Consultancy until March 2018	Project lead for the implementation of the Fostering Project

6 Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level (High, Medium or Low – see risk matrix)
Carers will not be willing to transfer to MCC terms	Carers will not have sufficient motivation or incentive to leave the IFAs	Medium

	IFAs may 'up their offer' to counteract MCC attempts to bring carers over	
Loss of good will with existing MCC carers	It has happened in the past	High
Carers with the skills required to meet the needs of identified children will not be found	There is a national shortage of skilled foster carers	High
Other young people not currently identified will need residential placements	We are working with a dynamic population both those within the LAC system and young people still living with their families. The situation can change quickly and is not stable or predictable.	High
There will be a breakdown in partnership relationships with health	The issue of health financial contributions has been a source of tension over a long period. There is a lack of national guidance or direction in respect of CC for children.	Medium

7 Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
NET increase of placements per year	17 carers representing 23 placements
Numbers of MCC placements : IFA placements	23 : 48
Numbers of IFA carers transferred to MCC	0 representing 0 placements
# of children meeting criteria for CHC or Sec 117 funding and % proportion of funding received from health	TO BE DEVELOPED
# on CASP prevented from becoming LAC (WG indicator)	59.6% (Aug 2017)
# LAC	147
# CP	104

Evaluation Date	6 monthly intervals
------------------------	----------------------------

8 Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9 Next steps for budget projects

- i. The project form will be subject to internal review, as well as scrutiny through the political decision making process, at which point further information may need to be provided.
- ii. An evaluation timescale will need to be set out to detail how and when the progress and impact of the project will be evaluated
- iii. In addition the project should be incorporated within service plan arrangements to monitor the progress and impact of the project on the service.

Safeguarding Post (SCH P4) – Incurred following Council report



SUBJECT: Safeguarding and Quality Assurance Service Manager

MEETING: COUNCIL REPORT

DATE: 9th March 2017

DIVISION/WARDS AFFECTED: All/ Whole Authority

1. PURPOSE

- 1.1 The purpose of this report is to seek approval to create a Safeguarding and Quality Assurance Service Manager to provide leadership to whole authority safeguarding and manage the Safeguarding and Quality Assurance Unit.

2. RECOMMENDATIONS:

- 2.1 That members approve and endorse the proposal for creation of a Safeguarding and Quality Assurance Service Manager and the revised structure for the Safeguarding and Quality Assurance Service Unit within Appendix 2 to this report.
- 2.2 **Members agree to reserve fund the c£60k for 2017/18. The budget will need to be substantially into the 2018/19 budget round.**

3. KEY ISSUES:

- 3.1 Safeguarding children and adults at risk has the very highest priority in Monmouthshire County Council. Safeguarding is recognised as everybody's business and considerable progress has been made over the last 5 years to systematically embed safeguarding culture, knowledge and practice in every area of the Council's responsibility. There are, however, areas where the understanding and operation of safeguarding are not yet of the standard they need to be. We need to be constantly vigilant in understanding the effectiveness of our governance and assurance systems.
- 3.2 The Safeguarding and Quality Assurance Unit has a very important role in supporting safeguarding in Monmouthshire. The Unit works with directorates to support them to understand their safeguarding responsibilities and improve their practice. The Council has developed a SAFE self-assessment tool which has recently been reviewed and strengthened to incorporate adult as well as children's safeguarding. An analysis of the Unit, and its ability to deliver its' purpose, has highlighted the need to strengthen leadership and capacity to ensure it is fit for purpose; i.e. to enable it to support to all parts of the Council in their self –evaluation and analysis and improvement actions arising from their evaluation.
- 3.3 The Service Manager post recommended in this report will ensure manage a Joint Children and Adult safeguarding unit comprising the following functions: independent review of Looked After Children (LAC), co-ordination of child protection and Protection of Vulnerable Adults (POVA), safeguarding in education and corporate safeguarding. The postholder will works with a variety of partners both internal and external to the Council. and be the main operational link to the Gwent-wide Children and Adult Safeguarding Boards which are now on a statutory footing. The postholder will also be responsible for driving up standards and good safeguarding practice within the borders of Monmouthshire and across Council services. The post-holder will be part of the Children's Social Services division within Social Care and Health and as such the changes proposed in this report would amend the structure approved by Cabinet in January 2017 (**Appendix 1**)

4. RESOURCE IMPLICATIONS:

- 4.1 The creation of the Safeguarding and Quality Assurance Service Manager is a financial pressure of £60k. It is proposed that in 2017/18 this is reserve funded; it will need to be substantively reflected in the 2018/19 budget build.

5. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)

5.1 Strengthening safeguarding leadership and capacity impacts positively on all children, young people and their families and adults at risk. The impact will be regularly updated and reviewed to ensure fitness for purpose. The proposed structure looks to will increase effectiveness of safeguarding arrangements and put the Council in a strong position to deliver the all age approach set out within the Social Services and Well Being Act.

6. CONSULTEES:

Jane Rodgers, Head of Children's Services and Safeguarding
Senior Leadership Team

7. BACKGROUND PAPERS

Children's Services – Service Redesign – Cabinet, January 11, 2017.

7. AUTHOR:

Claire Marchant, Chief Officer, Social Care and Health

8. CONTACT DETAILS:

Tel: 01633 644054

E-mail: clairemarchant@monmouthshire.gov.uk

Appendix 5 – Savings Proposals

Ref	Saving Proposal	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Page Reference
CYP S1	Federated school model	(32)	(23)			53
CYP S2/RES S4	Term time only payments (Payroll identify £203k)	(95)				57
CYP S4	General 5% reduction on supplies & services	(132)				61
CYP S5	Reduce school premature retirement budget	(50)				65
SCH P3/S2	Childrens Services (Saving £680k, pressure £561k, net saving in yr 4 £119k)	(113)	(189)	(189)	(189)	69

CYP PROPOSALS

Budget Project Proposal 2018/19

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Nikki Wellington
Date	1 st November 2017
Reference Number	CYP S1

Service area	Schools
Directorate	CYP
Savings targets (based on 17/18 budget)	
2018/19	£32,000
2019/20	£23,000
2020/21	
2021/22	

Project lead & Key project team members	Nikki Wellington and CYP DMT members.
--	---------------------------------------

1. Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

The proposal is to look to federate of a small number of primary schools to reduce management costs. The vision is that one head will manage a couple of schools in a local area, with a deputy in each school to support.

Expected impact of the project?

The impact will be minimal, there will need to be careful consultation with parents / governors and staff to ensure that they understand the vision and how this will work in practise.

2. Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?

Year	Proposed Savings (£)	Proposed income generation (£)
2018-19	£32,000	£0
2019-20	£23,000	£0

3. Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
No other options are being considered.
Reason why not progressed/progressed?
This model has been used in a number of our schools where the head has been absent. This has worked and the lessons learnt will inform how this is developed.
Option 2
Reason why not progressed/progressed?
Option 3
Reason why not progressed/progressed?

4. Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
Identification of schools that can federate.	Jan 18 – Mar 18
Consultation with stake holders	Mar 18 – August
Implementation of new model	September 18

5. Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
Possible redundancy costs, it is too early to identify the actual cost required.	Redundancy costs.

6. Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level
------	-----------------------	------------

		(High, Medium or Low – see risk matrix)
Model of federation cannot be progresses.	Adverse feedback from stakeholders and Governing Bodies not agreeing to this.	Low

7. Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
Cost savings	Base line April 2018
Standards Measured in July 2019	Baseline July 2018

Evaluation Date	August 2019
------------------------	-------------

8. Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9. Additional comments

Budget Project Proposal 2018/19

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Nikki Wellington
Date	1 st November 2017
Reference Number	CYP S2/ RES S6

Service area	Schools & Central
Directorate	CYP
Savings targets (based on 17/18 budget)	
2018/19	£95,000
2019/20	
2020/21	
2021/22	

Project lead & Key project team members	Nikki Wellington and CYP DMT members.
--	---------------------------------------

1. Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

The current calculation used to calculate pay for employees working term time only is incorrect. This calculation has been used for a long period of time and has led to a discrepancy between Part time employees and those only employed during the term. This has led to term time only staff being over paid.

Expected impact of the project?

Staff employed during term time will see a reduction in pay, this reduction will be different for each employee, and however it on average the reduction will be £300 - £350 per annum per employee. This will ensure that both term time only and part time are paid on the same basis.

2. Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?		
Year	Proposed Savings (£)	Proposed income generation (£)
2018-19	£95,000	£0

3. Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
Term time only employee work additional hours to make up the overpayment.
Reason why not progressed/progressed?
This is being considered currently, and will be considered with all the options.
Option 2
Correct the calculation for new employees only, and any changes in contracts.
Reason why not progressed/progressed?
This is being considered currently, and will be considered with all the options.
Option 3
Reason why not progressed/progressed?

4. Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
Identification of savings for individual staff	December 2017
Full consultation – Employee services leading	Jan 18 – Aug 18
Implementation of new model	September 18

5. Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
None for CYP	

6. Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level (High, Medium or Low – see risk matrix)

Employee services will be able to assess the risks as these have been identified in their briefing to SLT.		

7. Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
Cost savings	Base line April 2018

Evaluation Date	March 2019
------------------------	------------

8. Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9. Additional comments

Budget Project Proposal 2018/19

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Nikki Wellington
Date	1 st November 2017
Reference Number	CYP S4

Service area	Schools
Directorate	CYP
Savings targets (based on 17/18 budget)	
2018/19	£132,000
2019/20	
2020/21	
2021/22	

Project lead & Key project team members	Nikki Wellington and CYP DMT members.
--	---------------------------------------

1. Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

The proposal is to reduce the services and supplies budget by 5% for schools. The result will be that schools will need to seek efficiency savings to reduce their costs. All schools have been offered an opportunity to develop a cluster business manager, which is grant and match funded for 2 years. During this time, the business manager should be able to seek out these efficiencies to make the savings.

Expected impact of the project?

If schools do not make the savings expected then this could be a direct reduction in their funding and have an impact on their balances. If the savings are achieved the school balances will not be impacted.

2. Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?

Year	Proposed Savings (£)	Proposed income generation (£)
2018-19	£132,000	

3 Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
No other options have been considered.
Reason why not progressed/progressed?
Option 2
Reason why not progressed/progressed?
Option 3
Reason why not progressed/progressed?

4 Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
Roll out of business manager projects for all clusters	Now – with final cluster starting in April 2018
Reduction in the S&S element of the budget	April 2018

5 Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
None for CYP	

6 Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level (High, Medium or Low – see risk matrix)
Schools not making the savings and therefore the reduction impacting on school balances.	Some savings in the past have not been achieved and therefore balances have been impacted.	Low

7 Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
Services and Supply reduction in costs	Current spend

Evaluation Date	September 2018
-----------------	----------------

8 Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9 Additional comments

Budget Project Proposal 2018/19

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Nikki Wellington
Date	1 st November 2017
Reference Number	CYP S5

Service area	Central CYP
Directorate	CYP
Savings targets (based on 17/18 budget)	
2018/19	£50,000
2019/20	
2020/21	
2021/22	

Project lead & Key project team members	Nikki Wellington and CYP DMT members.
--	---------------------------------------

1 Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

The proposal is to reduce the premature retirement budget by £50,000. This budget supports teachers that retired prior to 1996. Over the last few years the spend on the budget has reduced resulting in an underspend.

Expected impact of the project?

The impact will be minimal, the only risk is if the budget does not continue to reduce as it has in recent years.

2 Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?		
Year	Proposed Savings (£)	Proposed income generation (£)
2018-19	£50,000	

3 Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
No other options have been considered.
Reason why not progressed/progressed?
Option 2
Reason why not progressed/progressed?
Option 3
Reason why not progressed/progressed?

4 Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
2018-19 notification of charges	October 2018

5 Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
None for CYP	

6 Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level (High, Medium or Low – see risk matrix)
------	-----------------------	--

Spend not reducing as it has in recent years.	This is the only risk with this proposal.	Low

7 Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
Charge for 2018-19	Current spend

Evaluation Date	October 2018
------------------------	--------------

8 Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9 Additional comments

SCH PROPOSALS

Budget Project Pressure and Savings Proposal Combined 2018/19

This form should be completed in full for all proposals of £50,000 and over, and for proposals of less than where the impact will be felt directly by citizens. For proposals below this threshold you can complete questions 1 and 2 only and then use your service plan to capture your actions, measures and risks.

Form completed by	Jane Rodgers
Date	05/10/17
Reference Number	SCH P3/S2

Service area	Children's Services
Directorate	SCH
Savings targets (based on 17/18 budget)	
2018/19	Savings = £112,564 (£357,217 off set by £244,653* workforce pressures) Anticipated Overspend b/fwd from 2017/18 = £561,000 Overspend c/fwd = £448,436
2019/20	Savings £189,294 Overspend b/fwd from 2018/19 = £448,436 Overspend c/fwd = £259,142
2020/21	Savings £189,294 Overspend b/fwd from 2019/20 = £259,142 Overspend c/fwd = £69,848
2021/22	Savings = £189,294 Overspend b/fwd from 2020/21 = £69,848 Net Savings = £119,446

* £244,653 is the worst case scenario taken from the business case for workforce pressures

CURRENT PROJECTED OVERSPEND for the Service @ M5 = £641,000 (based on dynamic forecasting model) of which £80,000 relates to pressure of agency staff = £561,000 (see business case)

Project lead & Key project team members

Jane Rodgers
Rhian Evans
Charlotte Drury
Tyrone Stokes / Rob Long
Claire Robins
Craig Williams

1 Vision and outcomes of the project

Give a business context for the project. Include what the new / improved / reduced service will look like in the future. Consider the impact in the service area and on any other services provided by the Council. From the service user and service provider perspective.

What does the project propose to do?

Delivering Excellence in Children's Services

Monmouthshire Children's Services are currently implementing a 3 year improvement programme with inter-related work streams spanning areas of workforce, social work practice, commissioning, expanding placement provision, increasing our in-house fostering provision, edge of care and family support. The project aims to achieve sustainable change which is built on best practice foundations and within that to achieve a financially sustainable service that makes best use of resources both regionally and locally.

Expected impact of the project?

3 areas have been identified where savings could be achieved.

4. Increasing opportunities for children with more complex / specialist needs, currently placed in residential placements, to be cared for by MCC carers
5. Incentivising Independent Fostering Agency (IFA) carers **currently** looking after MCC children to transfer to MCC terms and conditions
6. Recouping the financial contribution from Health for a young person who meets the criteria for continuing care

2 Savings proposed

Show how project will deliver savings against the current service budget, will this be a saving or income generation. This must be profiled over each year implicated.

What savings are expected to be achieved?			
	Year	Proposed Savings (£)	Proposed income generation (£)
1	2018/19 and over each subsequent year	Unit Cost Residential = £194,096 Unit cost MCC carer (enhanced package / IFA) = £46,084 Unit Cost saving = £148,012	Bring back 1 child from residential to foster care
2	2018/19 Each subsequent year	Unit cost IFA = £46,084 Unit cost MCC carer = £25,443 Unit cost saving = £20,641 Proposed saving 2018/19 = £103,205 Proposed yearly saving over 3 subsequent years = £41,282	Transfer carers from IFAs to MCC carers, 5 placements in the first year and 2 in each subsequent year.
3	2018/19 only	7 months of 50% placement costs = £106,000	Achieve health contribution @ 50% for one placement where continuing health care is met

NB UNIT COSTS USED ARE BASED ON M2 FORECASTS YEAR 2017/18

3. Options appraisal

List all options that have/are being considered (further details on these may be required to inform scrutiny/decision making reports)

Option 1
Do Nothing
Reason why not progressed/progressed?
<ul style="list-style-type: none"> In line with national and local trends, demands for Looked After Services will continue to increase. To do nothing would increase cost to MCC through on-going reliance on IFA and residential placements Achieving Monmouthshire carers for Monmouthshire children is in keeping with intended strategic direction and should help us achieve better outcomes for our Looked After Children.
Option 2
Proposed ADM for fostering
Reason why not progressed/progressed?
<ul style="list-style-type: none"> Regional delivery models will be implemented in the medium term under the National Fostering Framework and through the Children and Families Regional Partnership. MCC require a short-term solution that will work in parallel with the development of regional ADMs

4. Actions to deliver the project

Describe the key activities that will be undertaken to deliver the project and the action holders. This provides a further breakdown of the actions that need to be taken, each project should also be included in the service plan action.

Action	Timescale
<u>Implementation of Fostering Project</u> <ul style="list-style-type: none"> Recruitment and Retention carers Targeted care planning for individual children currently in residential settings Targeted recruitment of carers specific to individual children 	Already commenced and on-going

<ul style="list-style-type: none"> - Increase 'bespoke' offers for 'therapeutic carers' - Development of family support within CS including foster carers - Target specific recruitment for individual children current with IFA carers - Development of enhanced fee structure and support packages for complex children 	
<u>Continuing Care</u> <ul style="list-style-type: none"> - Use existing mechanisms to implement dispute resolution for individual young person - Develop integrated CHC policy with ABUHB for shared decision making in complex cases and dispute resolution process 	Already commenced

5. Additional resource/ business needs

Have you identified any resource / capacity required to carry out the project?

Area resource required	What will this be used for?
Consultancy until March 2018	Project lead for the implementation of the Fostering Project

6. Key Risks and Issues

Are there any initial barriers or risks that have been identified at this early stage. Any actions to mitigate risk should be included in section 4 and any ongoing risks include in the main service plan risk register.

Risk	Reason why identified	Risk Level (High, Medium or Low – see risk matrix)
Carers will not be willing to transfer to MCC terms	Carers will not have sufficient motivation or incentive to leave the IFAs	Medium

	IFAs may 'up their offer' to counteract MCC attempts to bring carers over	
Loss of good will with existing MCC carers	It has happened in the past	High
Carers with the skills required to meet the needs of identified children will not be found	There is a national shortage of skilled foster carers	High
Other young people not currently identified will need residential placements	We are working with a dynamic population both those within the LAC system and young people still living with their families. The situation can change quickly and is not stable or predictable.	High
There will be a breakdown in partnership relationships with health	The issue of health financial contributions has been a source of tension over a long period. There is a lack of national guidance or direction in respect of CC for children.	Medium

7. Evaluation

How will you measure the impact of the proposal? What are the measures that you expect to see change as a result of what you're proposing. This could be positive or negative. When will you evaluate the change?

Metric	Baseline
NET increase of placements per year	17 carers representing 23 placements
Numbers of MCC placements : IFA placements	23 : 48
Numbers of IFA carers transferred to MCC	0 representing 0 placements
# of children meeting criteria for CHC or Sec 117 funding and % proportion of funding received from health	TO BE DEVELOPED
# on CASP prevented from becoming LAC (WG indicator)	59.6% (Aug 2017)
# LAC	147
# CP	104

Evaluation Date	6 monthly intervals
------------------------	----------------------------

8. Future Generations Evaluation

The project must be assessed from the start against the equality impact assessment and sustainable development impact assessment using the [Future Generations Evaluation](#).

9. Next steps for budget projects

- iv. The project form will be subject to internal review, as well as scrutiny through the political decision making process, at which point further information may need to be provided.
- v. An evaluation timescale will need to be set out to detail how and when the progress and impact of the project will be evaluated
- vi. In addition the project should be incorporated within service plan arrangements to monitor the progress and impact of the project on the service.

Appendix 6 – Future Generations Assessment

Wellbeing of Future Generations Assessment – Budget Proposals for 18-19

Introduction

The Wellbeing of Future Generations initial evaluation for the emerging 18-19 budget proposals has been developed in narrative form, ahead of formalisation of proposals and the completion of the official assessment framework. This enables setting out of the backdrop to the emerging proposals, commentary on how the process has been developed; its various iterations and the picture it paints as a whole for the county of Monmouthshire. Presenting in this way at this stage provides an opportunity to demonstrate the dynamic and real-time nature of the approach. In addition, it helps to highlight application of continual learning and improvement.

In the past and notwithstanding the council's strong record on financial planning and delivery, achieving the goal of keeping frontline services going and strengthening commitments to sustainability and resilience, the budget has tended to be developed through the setting of targets, directorate-led approaches and a relatively uneven smattering of proposals. Whilst under this budget round, individual directorate's have still put forward proposals – this process has been more in keeping with our Future Monmouthshire programme and the design principles that guide how we keep our county 'going' and 'growing'. It signals very clearly, that money should follow purpose and priorities and not precede them.

It must be borne in mind that this WFG evaluation is an early one, applying to budget *proposals* only at this pre-consultation, pre-decision stage. The aim of the narrative is thus, to demonstrate the 'live' nature of the process and the application of robust and ongoing scrutiny and challenge as the proposals continue to be shaped and honed in line with what matters.

The process

Set within the policy mandate of the council and the emerging priorities and commitments framing the beginnings of a new Corporate Plan, features of the 18/19 budget shaping process have included:

- **Data driven approach.** Using data analytics, we have looked closely at the economy of our service provision as benchmarked against other councils. This has enabled the identification of areas where cost efficiency might be improved; where there is potential for knowledge transfer; and, how we might go about it. This has been accompanied by informal 'challenge' sessions - in which services give account of their development journeys and the work they are doing to sustain efficiencies whilst improving and advancing.

- **A more crosscutting** approach has been applied to understanding the intended and unintended consequences of proposals and their whole-authority impact.
- **An evidence based** approach has been taken, drawing heavily on information, data and responses from Our Monmouthshire and the Wellbeing Assessment; the work of the Public Services Board, future trends analysis, public events such as the Usk Show, pre-election doorstep surveys undertaken by Members and the wider direction being set by the new administration.
- **A focus on challenge-led approaches** including exemplars such as photocopying, that, as well as resulting in a new more cost-efficient contract, has stimulated different behaviours and practices; travel and transport, which again, has resulted in a successful submission to the Rural Development Fund to secure investment for innovative solutions to rural transport problems.
- **A new way of engaging Members and Select Committees** in shaping the priorities and projects, that will inform Future Monmouthshire. The Economy and Development Select Committee hosted a participative ‘challenge-based’ workshop in October 2017. The format was open and engaging and led to new opportunities and potential being highlighted. The E&D Select Committee has prioritised Procurement/ local supply change development and cross-border working as the areas in which they believe they can make a developmental contribution to getting to a new sustainable future state.
- **Targeted ‘horizontal’ service reviews.** In areas where it has not been possible to develop credible savings proposals – such as Enterprise – given the scale of the budget and the extent of past efficiencies – work has been carried out to identify the cross-cutting areas where focussed attention could make a big impact. Rather than the continual eking out of minor efficiencies for limited impact, the focus of these services and departments will be on big crosscutting transformational pieces. Areas of potential such as Democracy, Customer Service, Transport, Procurement and others have been identified. This work will include considering the impact of automation and artificial intelligence, future trends, the future of work and skills and will make a wider contribution to public service reform.
- **Alignment with the whole-authority Risk Register and the direction of Service Improvement.** This ensures that proposals are developed with regard to key levels of risk and ensuring opportunity costs are considered and embedded within more robust ‘options appraisal’ work. Budget proposals should not be ‘new’ – they should follow the natural course of service development and improvement – as already set out in Service Improvement Plans.

Our objectives

Aligned to the four enduring priorities set by the last Council, around the protecting the vulnerable, education, enterprise and maintaining frontline services, our published Wellbeing Objectives developed in response to some of the big issues identified from the Wellbeing Assessment work, are:

Provide children and young people with the best possible start in life to help them achieve better outcomes

Maximise the benefits of the natural and built environment for the well-being of current and future generations

Maximise the potential in our communities to improve well-being for people throughout their life course

Develop opportunities for communities and businesses to ensure a well-connected and thriving county

Our purpose and mission remains one of *building sustainable and resilient communities that can support the wellbeing of current and future generations*. We share this core purpose with our Public Service Board and it is our guiding force in working towards the Seven Wellbeing Goals:

- Globally Responsible
- Vibrant Culture and Thriving Welsh Language
- Cohesive Communities
- Equality
- Health
- Resilience
- Prosperous

The proposals

The proposals in the main, present a picture of continuing small efforts and endeavours that can be made in delivering a one-year budget as the Council moves into gear with a newly emerging Corporate Plan, into which the medium Term Financial Plan will be incorporated. At a high level, provision has been made to afford some safeguards to priority areas and to ensure we continually mitigate risks identified in the whole-authority Risk Register. These are:

- School budgets continue to have regard for cash flat line consideration – acknowledging specific pressures around Additional Learning Needs and ensuring our children are equipped to achieve their potential
- Additional resources into aspects of social care budgets – particularly in high-pressure areas of Children’s Services in supporting a significant service development and transition and in supporting transformational activity in parts of Adult Social Care. This ensures we continue to protect our vulnerable
- Ongoing drives for savings and efficiencies through programmes of review, challenge-led approaches, data-driven exercises and unit cost data investigations and a focus on income generation – to ensure we have the resources to sustain what matters

- The need to think differently and identify targeted areas for intervention and transformational work – to ensure we create the conditions for true sustainability and resilience

In addition to these headlines, specific provision has been made, to mitigating further pressures around: national living wage, safeguarding, supporting a new fit for future leisure facility in Monmouth, private leasing for effective homelessness prevention, place-based community development approaches, home to school transport and support through housing benefit. These emphasise commitments to making direct local investments in wellbeing and culture whilst at the same time enabling communities to invest in building their own resilience. Direct intervention is necessary to support examples of cases such as the withdrawal of the private sector homeless leasing subsidy. However, the service area has indicated that this will be a time-limited intervention that will enable the time and space to develop a sustainable and long-term solution.

In relation to budget proposals, key features include:

Children and Young People – in the context of the above cash flat-line commitment, the quest for greater efficiency where it can reasonably be found, continues. There is an emphasis on moving towards shared resources and systems to build greater resilience and integrated back office models – building upon cluster working and beginning the move towards federated alliances. This is key if our school system is to compete not just with the rest of Wales or the UK but also in the world. Demonstrating enterprise aptitude through some moderate-income generation, procurement efficiencies through achieving collective purchasing and economies of scale and strong financial management demonstrate a clear commitment to building resilience in the schooling system whilst ensuring that the learning experience and outcomes for young people grows stronger, setting them on a path for prosperous lives.

Social Care and Health – notwithstanding the above investments to allow for growth and developmental opportunities, the potential to consolidate processes, focus more on local ‘in county’ provision and make for a better health and wellbeing experience for service users - has been identified within Adult Disability services. This builds upon place-based partnerships and assets and is a demonstration of how community-wide resources can make a difference. In relation to Children’s Service, investments in transitional and critical development work are paying off with progress being made around high-cost placements, fostering and early intervention. This is a medium-to-long term piece of work with a whole emphasis on better outcomes for vulnerable children, young people and families. Cross-departmental working features strongly with a mix of professions working to bring about the expertise such as the marketing campaign around fostering – required to make change that delivers a better outcome for the young person and a positive impact on the system.

Resources/ Enterprise and Operations – features in this area include in the main, continuation of small-scale ongoing efficiencies and back office improvements. In Resources, the emphasis is on smart support services, mainly brought about through the more targeted use of new technology and leveraging some of the benefits of lower cost IT infrastructure provision. In Operations, the focus continues to be on income

generation where it is deemed viable and is in keeping with other Councils, moderate rationalisation of maintenance, improved cost recovery and continued efforts around route optimisation. It is important to note that in terms of staying ahead, seeking out global best practice, and, new ways of working – this work will be complemented by assessments of the latest technological developments – automation, use of machine learning, new methods of real-time data capture and challenge driven approaches. Significant challenge has already been applied to this area. Initially it was felt potential existed to withdraw a small number of very poorly used bus rural bus services. However, given the big priority the community attaches to wider rural transport issues and solving the problem of poor rural infrastructure and connectivity – it is proposed that these funds are retained and re-directed to the areas where greatest impact might be made.

In relation to Enterprise – successive efficiencies and income generation have seen just staffing budgets remain in many areas. Given we need people resource to deliver on the big ideas and big impact projects – cutting posts would be counter-productive. Instead, the efforts of the service will be targeted at driving forward the Future Monmouthshire programme – demonstrating the new opportunities for public service reinvention and taking forward targeted pieces of work where potential is demonstrated: automation and AI, transport, procurement, back office and support services, democracy and transactional services such as customer care.

Resonance with Wellbeing Objectives

A Prosperous Wales – our budget proposals stem from and are embedded in development and delivery of our Future Monmouthshire programme. This asks the big and searching questions about what our county will look and feel like over the next 5, 10, 15 and 20 years and more and advises on how the Council can best enable the right changes to take shape. Beyond increasing economic productivity and growth, our goal is prosperity for all and a system that promotes radical inclusion and delivery of social justice. An example of this – and one, which demonstrates the ‘going’ and ‘growing’ balance to our work, is Housing. Currently, efforts in 18/19 are targeted towards direct support to maintain provision of privately leased properties through which to prevent homelessness, given that the critical subsidy once in place has now been withdrawn. However, this interim mitigation is in itself not a sustainable approach. A sustainable approach will be in addressing the fundamental mismatch between housing supply and demand. This leads in to wider work we are starting now, to develop proposals to review and re-create the Local Development Plan. This will ensure long-term sustainable solutions providing economic growth and homes for all – addressing the needs of an ageing demographic and positive retention of our young people. One intervention sets the course for the next.

A resilient Wales – our continual investments in areas such as Social Care are not ‘bail outs’ – they are targeted investments which create the conditions for transformational pieces of work that enable us to think differently about demand-side management. As this budget process shows, returns on such investments are already being demonstrated. Our clear goal is to enable communities by investing in building their own resilience. The introduction of a new cabinet brief focussed on Social Justice and Community Development reinforces the potential

around unlocking the significant social capital that exists in Monmouthshire and enabling people everywhere to make a difference. Our direct funding may be declining – but local assets, resources, ideas, social capital and social action is fast growing. Our role is to optimise and channel this to greatest effect.

A healthier Wales – one of the ‘pressures’ these budget proposals mitigates is the temporary loss of provision and income resulting from the replacement of Monmouth Pool and the re-creation of brand new leisure facilities. Rather than lose the existing facilities because of the comprehensive redevelopment of Monmouth Comprehensive School – an £8m investment has been made in creating new facilities that will help keep our people, children and communities, well.

A more equal Wales - enterprise, economic development and wealth creation is key to giving people the means by which to get on and provide for themselves and their families. No cuts are levelled against the Enterprise service area in this budget because we recognise that without continued investment in wealth and job creation at all levels – from the foundational economy through to the big disruptive technologies – the call on public services grows greater and societal divisions proliferate.

A Wales of Thriving Culture – Monmouthshire has a distinctive cultural offer and boasts country parks, castles, museums, theatres and attractions in every major town and settlement. This budget supports maintaining investment in these areas as a means promoting our identity, cultural distinctiveness and building upon the Abergavenny 2016 Eisteddfod Welsh Language legacy.

A Wales of Cohesive Communities – this budget provides for investment in the development of a new social justice agenda and the creation of a Community Partnerships Team that is rapidly developing the place-based approaches needed to unlock and inspire social action, volunteering and community resilience.

A Globally Responsible Wales – the cash flat-line proposal for schools as part of this emergent set of budget proposals, maintains a commitment to direct investment in our future generations. Beyond ‘playing our part’ for the county, Wales and the UK, our focus on Future Schools, Improvement, safeguarding and excellent learning outcomes, is on finding our place in the world. This means continuing investment to ensure our young people are equipped to engage and compete in industries of the future wherever they might emerge.

Summary

The emerging budget proposals for 18-19 are more than a standalone one-year budget. As a contributor to our wider Future Monmouthshire work, they help build a bridge between the present we have and the future we wish to see. With a blend of ongoing sustainable efficiencies; continued income generation and a focus on investing in areas such as education and social care – where returns in terms of service outcomes and financial benefits are starting to pay early dividends – the platform is building for the development of more targeted ‘big ticket’ interventions. We are not kicking the ‘too difficult’ problems into the long grass. As well as keep the Council ‘going’ – work is underway to keep it ‘growing’ – as these proposals clearly demonstrate. Proposals to review the development plan, as a means of addressing demographic and economic pressures is underway. Exploration of targeted procurement opportunities that save money and create local markets is taking shape. A ‘challenge-driven’ approach to tackling rural transport issues is being developed. Exploration of machine learning, artificial intelligence and automation are contributing to the ways in which we must re-imagine services and the positive impact they can have on the lives of people and communities in Monmouthshire - now and in the future.