

Appendix 2: Individual mandates for pressures

Pressure Mandate Proposal Number: PCYP001

Pressure Mandate Title: ALN New Bill

Mandate Completed by	<i>Sharon Randall Smith</i>
Date	<i>29/11/18</i>

Why is this pressure required?

THIS IS A CONTINUATION OF A PRESSURE FROM 2018-19

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 of 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"> 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 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?								
	2 officers 1 admin 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	
EPS / ALN	£338,506		NA			£66,000	£0	£66,000

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	NA	New measures	New measures	New measures	New measures	New measures

	Statutory statement to IDP on target						
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	Operational	Given the current uncertainties surrounding the legal status of IDPs we	High	Early development and introduction of avoidance and resolution of

resulting in increased costs to the LA		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.		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 current form by the due date of September 2018	The timescale has been set by Welsh Government	Welsh Government
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 Title:	Employers contribution for teachers pension	Lead/Responsible Officer:	Nikki Wellington
Your Ref No:	PCYP004	Directorate:	CYP
Version No:		Section:	Finance
Date:	29-11-18		

Why is this pressure/efficiency required?

Following a recent valuation of the teachers' pension, the employers contribution is anticipated to increase from 16.5% to 23.6%. This is anticipated to start in September 2019 and the actual pressure will be £112k per month.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

N/A

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

N/A

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
1	Employers contribution for Teachers Pension	£784,000				To be put in base budget

Pressure Title:	ALN Recoupment and school actions plus	Lead/Responsible Officer:	Nikki Wellington
Your Ref No:	PCYP005	Directorate:	CYP

Version No:		Section:	Finance
Date:	29-11-18		

Why is this pressure/efficiency required?

Following the recent Month 7 monitoring report the support to schools to fund the pupils in mainstream schools has resulted in an overspend of £93,000. In addition there is a pressure for pupils placed in out of county provision of £74,000. This pressure is anticipated to continue in 2019-20.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

N/A

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

N/A

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
1	School Action plus	£93,000				To be put in base budget
2	Out of County	£74,000				To be put in base budget

Pressure Mandate Proposal Number: PSCH001

Pressure Mandate Title : Increase in Domiciliary Care and Care Home provider fees due to introduction of the National Living Wage

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>Tyrone Stokes</i>
Date	<i>10th September 2015 (amended 8th November 2017)</i>

Why is this pressure required?

Current discussion is on the removal of the 1.7% non-pay budget inflation factor from the 2016/17 MTFP on the basis of present low to near zero RPI.

Within the SCH 2016/17 budget we have a £8,822,039 third party budget covering payments to domiciliary care agencies providing 9,532 weekly hours of care as at 31st March 2015.

For 2016/17 the current minimum wage of £6.50 per hour will be replaced by the Living wage of £7.20 per hour rising to £9 per hour in 2020, which is a direct cost to providers and impacts on our fees.

In his budget statement this summer, the Chancellor announced that the current minimum wage will be replaced in 2016 with the Living wage of £7.20 per hour increasing to £9 per hour by 2020. Recent information gathered shows that these agencies can no longer bear the cost of wage increases and in order to sustain a supply market in this sector, we will need to reflect any future rises in our fees.

The United Kingdom Homecare Association (UKHCA) has sent out recent research suggesting a domiciliary care hourly fee rate of £16.70 be charged for domiciliary services. This research has been quoted by one of our major domiciliary care agency in a letter to Paul Matthews. If we compare the UKHCA rate against our current average framework rate of £12.52 per hour, this is over £4 per hour less. This mandate is not seeking to address this difference but to only acknowledge the Living wage increase from the current £6.50 minimum wage, and the future increases up to the £9 per hour in 2019/20.

In relation to Care Homes, we have a £10,186,788 third party budget covering payments to residential/nursing care homes for the elderly supporting 280 placements as at 31st March 2015.

Work we have done with the Adult Residential and Nursing care home sector through the "Fair Fee" exercise tells us that care providers have a cost base of 70% wages not sensitive to RPI but sensitive to wage increases, in this mandate Living Wage.

We are unable to mitigate this increase and are contractually bound to reflect in our fees. The reason why we cannot mitigate this increase is that four years ago the Council agreed to undertake the fair fee exercise to defend the Council against a judicial review in not considering the true costs of running a care homes in its fees. Two Authorities namely Pembrokeshire and Vale of Glamorgan did have a judicial review and in the case of Pembrokeshire, led to a million plus sum in fines and legal costs and the back payment in increased fees.

Our fair fee toolkit does sufficiently safeguard the Authority from a potential judicial review but ties us into the need to understand the costs pressures that face care homes and to reflect this in our fees paid to homes. The fair fee toolkit uses the minimum wage as a base which will now be replaced by the Living Wage.

How much pressure is there and over what period?

£1,131,349 for 2016/17 just to address the introduced Living wage rate of £7.20. If we make an assumption on how the Government will increase the NLW to meet the pledged rate of £9 per hour in 2019/20, there needs to be a 60p per hour increase each year, which gives the annual pressure of £634,018 until the £9 per hour rate is reached.

Directorate & Service Area responsible

SCH and Community Care

Mandate lead(s)

Tyrone Stokes

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

Name	Organisation/ department	Date
Mark Howcroft	Assistant Head of Finance	20 th July then challenge panel 4 th September
Joy Robson	Head of Finance	20 th July then challenge panel 4 th September
Simon Burch	Former SCH Director	20 th July
Julie Boothroyd	Interim SCH Director	20 th July

Has the specific budget pressure been consulted on?

Function	Date	Details of any changes made?
Department Management Team		
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

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?

To ensure we have a market that will contract with the Authority and provide sustainable services.

Expected positive impacts

Harbour good relations with providers and sustain a viable market which can meet cost pressures through the introduction of the Living wage to care staff.

Expected negative impacts

Domiciliary care agencies will decide not to contract with Monmouthshire and of those that do, face financial hardship. Over the past 12 months four agencies have gone financially insolvent and we are currently working with two who are on the edge of insolvency.

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?

Evidence for the pressure is based on the introduction of the Living Wage hourly rate of £7.20 in 2016 and research issued by the UKHCA. We have determined the pressure using the weekly care hours provided.

The total estimated pressure is £1,131,348 but a decision has been taken to opt for the high risk mitigation of reducing this pressure by £200,000 (£200,000 mitigation in total across domiciliary care and residential care sectors).

The Government pledge is the increase the National Living Wage (NLW) each year until it reaches £9 per hour in 2019/20.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target years					Total pressure proposed
				16/17	17/18	18/19	19/20	20/21	
Community Care	£19,008,827	£931,348	0	£931,348	£434,018	£434,018	£434,018	£0	£2,233,402

3. Actions to 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
There are two distinct areas of action: -		
Action 1 – Work with providers to gauge the level of workers under 25, any mitigation from future tax assistance by the Chancellor and VAT reclaims are maximised. Industry advice	Shelley Welton and Tyrone Stokes	31 st March 2016

will be obtained from consultants such Rockhaven Healthcare Ltd to fully understand and maximise opportunities.		
Action 2 – Embark on a piece of work to understand, review and scrutinise rate increases thereby entering negotiations to limit any impact.	Ceri York and Shelley Welton	Initial scoping by 31 st March 2016

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)

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 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19

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
<ul style="list-style-type: none"> The number of people aged 25 and under is not known and any 	Both		In considering the likely reductions that could result from these	Reduce the amount reflected in rates paid to providers by:

<p>there is a risk we might over-estimate.</p> <ul style="list-style-type: none"> • There may be no compensatory tax breaks announced by the Chancellor. • Many providers will not wish to take the opportunity to reconfigure to enable the recovery of VAT. • Some providers have an active self funding market and may decide not to seek business from the Council thus placing areas where it is difficult to attract providers at greater risk. • Much of the ‘right sizing’ work has already been undertaken so the likelihood of identifying significant reductions is limited. • Providers may decide not to accept Monmouthshire’s business. Many of the spot purchase arrangements are in place to accommodate gaps in the market. • Some potential savings from reducing rates could be double-counted as they may have already been attributed to a separate adult services mandate. • Future transformation approaches are based on good relationships and this approach could put these at risk. 			<p>two courses of action it is suggested:</p> <ul style="list-style-type: none"> • A confident estimate: £100,000 • With some risk of non-achievement: £150,000 • With a high risk of non-achievement of all mitigations: £200,000 <p>The decision at SLT has been taken to opt for the high risk action which spans both the National Living Wage pressures so £100,000 will be attributed to the Domiciliary care pressure and the other £100,000 to the residential care pressure.</p>	<ul style="list-style-type: none"> • Factoring in people who are under 25 who will not qualify for the National Living Wage. • Assuming that the Chancellor of the Exchequer will introduce measures such as tax breaks to offset some of the effects of the National Living wage for providers. <p>Making strenuous efforts to encourage providers to alter their status to enable them to recover VAT. Many of the care management arrangements in Social Care and Health are individually negotiated. Whilst it is fully expected that providers will uplift the set rates to reflect the National Living Wage, Officers have agreed to undertake a process to review and scrutinise rates that appear to higher than the norm with a view to negotiating a reduced increase.</p>
--	--	--	---	--

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

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 not reflect Living wage increases in our fee	Care agencies face financial hardship, domiciliary care business is no longer viable in Monmouthshire	Julie Boothroyd
Increase eligibility criteria	<p>Previous raising of eligible criteria has not materialised savings. Adult services approach to manage practice is by maximising support from family and community before providing formal services, which has resulted in Community Care delivering to budget, despite demographics and increased complexity pressures.</p> <p>In addition, mandate 34 has addressed the raising of eligibility criteria to removing the 'moderate' threshold.</p>	Julie Boothroyd
Reduce services provided	As with above this is addressed in mandate 34 and mirrors our current direction of travel. At present we are looking to support service users through community support, small local enterprises and community co-ordination that will see less reliance on formal support and a more blended approach for people to remain safe and connected to communities.	Julie Boothroyd

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: PSCH002

Pressure Mandate Title : Capital threshold increase pressures

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	Tyrone Stokes
Date	8 th November 2017

Why is this pressure required?

As part of a series of financial support measures by the Welsh Government borne out of the introduction of the Social Services and Wellbeing (SSWB) Act 2014, the capital threshold limit will be increased from its current level of £24,000 as at 2016/17, to £50,000 in 2020/21.

The capital threshold limit is the amount an individual is allowed to keep before they are able to apply to the Local Authority for funding of residential/nursing care.

The present level as at 2016/17 was £24,000 set under the old Community Care Act and the Charging for Residential Accommodation Guidelines.

From the introduction of the SSWB Act 2014, and the replacement of its charging regulations which came into force from 1st April 2016, the Government announced the capital threshold would be increased from 2017/18 to £30,000 up to a maximum of £50,000 in 2020/21.

The Government announced a financial grant to compensate Local Authorities and it would be disbursed under the present Older Peoples funding formula.

Based on the amount of clients that were previously self funding and their capital fell below the capital threshold limit in 2016/17, we had 14 in seven months during 2016/17 so full year we could expect 23. The calculated annual pressure would far exceed the grant so there is a net annual pressure which will not be met by the grant provided.

How much pressure is there and over what period?

Based on the expected number of clients that will fall into Local Authority funding under the increased capital threshold limits, for 2017/18 the increase to £30,000 will result in a GROSS pressure of £629,000. When we offset the grant of £128,000, the net annual pressure for 2017/18 is £501,000.

If we assume the capital threshold limit will increase by a further £6K each year (being £36K in 2018/19 and £42K in 2019/20), in 2020/21 the increase will be £8K to the £50K limit the Government has pledged.

Therefore the NET pressure for 2018/19 will be £501,000, 2019/20 will be a further £501,000 and the final year 2020/21 will be £668,000.

Directorate & Service Area responsible

SC&H and Community Care division

Mandate lead(s)

Tyrone Stokes

--

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/ department	Date
Tyrone Stokes	SC&H	July to September 2016

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team	17/10/16	SCH DMT

Will any further consultation be needed?		
Name	Organisation/ department	Date
no		

Final pressure approved by Cabinet	Date: When the 2017/18 MTFP was agreed
---	---

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?
<ul style="list-style-type: none"> Allows the Council to meet the legal obligations of meeting funding for clients who's capital falls below the introduced capital threshold limit, Makes sure the Council are compliant with its obligations under the SSWB Act, Social Care to have the budget available to meet these obligations set by Government.
Expected positive impacts
<ul style="list-style-type: none"> Promotes the Government pledge under this scheme, From the client perspective allows them to retain more of their capital when going into a residential/nursing care home setting
Expected negative impacts
<ul style="list-style-type: none"> Additional financial burden for the Local Authority which unfortunately as the grant provision is hypothecated, Monmouthshire doesn't get the true cost met,

- The grant provision did not consider nor recognise other factors that have a financial impact on Local Authorities such as clients that were previously self funding have a higher weekly fee level which then transfers over to the Local Authority when their capital falls to the higher threshold limit,
- Clients lose Attendance Allowance and Severe Disability payments when they become eligible for Local Authority financial support, which again were not recognised by Welsh Government when introducing this scheme,
- More clients into Local Authority funding for residential/nursing care provision.

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?								
As above.								
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	
Community Care	£10,186,788	£2,171,000		£501K	£501K	£501K	£668K	£2,171,000

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
1.		
2.		
3.		
4.		

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)

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

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

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
		DJ/LD
		DJ/LD
		DJ/HO
		DJ/HO

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

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.

2019-20 Pressure Proposal Form: PSCH003

The Senior Responsible Officer (SRO) for the proposal should complete the forms. Please use a separate form for each pressure.

The information provided in this pressure proposal will be used to enable Cabinet to decide whether to include the pressure in the MTFP and to assist with further mitigation of the pressure.

Pressure Title:	Fostering Fees	Lead/Responsible Officer:	Jane Rodgers
Your Ref No:	PSCH003	Directorate:	SCH
Version No:	1	Section:	Children's Services
Date:	November 2018		

Why is this pressure required?

The pressure is required to harmonise Monmouthshire's generic foster carers' fees and allowances structure with its regional neighbours to enable a regional approach to the recruitment and retention of in-house (LA) foster carers. **This is a potential pressure which would require a full cost-benefit analysis before proceeding.** Initial indications are that a regional approach (if it could be achieved) would result in greater benefits than costs (more in-house carers, less reliance on IFA carers). A regional approach has been discussed with Heads of CS within Gwent and is desired, however, the absence of a harmonised fees structure is a significant barrier currently.

How much pressure is there and over what period?

On current calculations the pressure for Monmouthshire is £141K and would represent an annual pressure going forward. This pressure is not likely to commence prior to financial year 20/21 as it would require a full cost benefit analysis and political approval across 5 LAs.

The calculation is based on the current fees and allowances x increases required to harmonise regionally (based on Caerphilly model) x numbers of current Monmouthshire carers. This calculation would change depending on the variables.

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

Name	Organisation/department	Date
Julie Boothroyd	Director	On-going discussion
Ty Stokes / Rob Long	Finance	On-going discussion

Will any further consultation be needed?

Name	Organisation/ department	Date
Further consultation with regional partners and nationally		

with the National Fostering Framework / WG		

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

The fees and allowances for our current cohort of generic Monmouthshire foster carers would increase. Any new generic carers would be recruited on the basis of the revised fees and allowances structure.

Expected positive impacts

Potential benefits

Increased financial offer might assist in recruiting and retaining in-house carers thereby reducing the reliance on the external market and reducing spend to the external placement budget.

Better outcomes for children & young people would be achieved through enabling increased in-county placements with in-house foster carers.

A harmonised fee structure would enable a regional approach to a 'front-door' for fostering with the following potential benefits:

- Sustainable and refined business approach to advertising / marketing and recruitment processes with economies of scale and increased expertise and specialism
- Strong Gwent image to attract foster carers to LA work
- Harmonised fee and SUPPORT offer to carers ensuring that LAs are not competing against each other
- Stronger challenge to IFAs recruiting in Gwent
- Increased opportunities for inter-authority placement exchanges
- Increased opportunity for joint approaches to more complex placements e.g. mother and baby

Expected negative impacts

Potential Negative impacts

- Potential for IFAs to challenge in terms of fee increase and marketing campaigns
- The overall carer provision for Monmouthshire does not increase
- Current carers are paid more at more expense to the LA
- Economies of scales are not realised because of the challenges in regional working
- Resources would be taken out of local service to put into regional service thereby reducing the level of flexibility at a local level (e.g. to redirect resources at critical times)
- The differential in the fees and allowances structure between generic and kinship carers would increase

1. 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?								
Full spreadsheet of calculations undertaken on a regional basis to arrive at the £141K figure.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
In-house Fostering Allowances	TBC	£141K at current calculation	Approx £20K differential between unit cost for IFA and In-house carer (cost avoidance)		£141K			£141K

2. 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 proposal.

Action	Officer/ Service responsible	Timescale
If this went ahead then actions required would be as per a recruitment strategy on a regional basis to ensure increase in fees / allowances result in increased in-house foster carers (generic) who have the required skill mix to meet demand of ever increasing numbers and complexity within the LAC population	Jane Rodgers	Not Yet Confirmed

3. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/business need (non-financial)
Increase in marketing efforts on a regional basis and possibly an increased marketing budget (but economies of scale should off-set this)	A regional foot-print would need to include Marketing/Communication expertise and interface with Coms teams within each local authority within the Gwent region	
Resource and capacity would be required to re-structure local services into a regional service	In-service	
Further expertise in conducting a local cost benefit analysis regarding the current options.	In-service, potentially with assistance from corporate if possible	

4. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Numbers of carers	Number of in-house foster carers (net) and recruitment activity		To Be Agreed		
Number of placements	% of LAC in IFA placements : In-house placements		To Be Agreed		
Retention of in-house carers	No. of carers deregistered as a % of total approved carers during the year		To be Agreed		

5. 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 risks.

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

Too much financial pressure within neighbouring LAs to allow a regional approach to be adopted.	Strategic	Regional harmonisation exercise	High	Build in pressure locally so that we would be in a position to move regionally if this became feasible.
Monmouthshire would not benefit from the regional service i.e. insufficient new carers would be recruited to gain benefit from the increased fee / allowances structure and the move to a regional footprint.	Strategic	<p>We would still be competing with IFAs</p> <p>The number of potential carers suitable for fostering is not fully known</p> <p>Local campaigns have already been running.</p>	Medium	Monmouthshire would need to maintain a strong position and be a strong advocate for local needs within a regional service

6. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
The current calculation of the fees and allowances	Based on variables – most significantly the number of generic carers at a given time	
The final cost benefit analysis would be favourable for Monmouthshire	Initial analysis is favourable	
That 4 regional partners will wish to proceed	The degree of financial pressure (vis a vis harmonisation of fees / allowances) that other LAs face in order to achieve a regional service	

7. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do Nothing Differently for Now	<p><u>Reason why this is a viable option (and is currently being progressed)</u></p> <ul style="list-style-type: none"> - Current activity has improved foster carer recruitment without increasing fees / allowances significantly – this to be continued - Fees / Allowances could be increased in a more incremental way (ie annual inflation) - MyST has the potential to recruit carers on a higher fee structure to work with the most complex children – this allows us opportunity to ‘test the market’ and to ensure new carers meet the actual demand (e.g. around complexity) 	Jane Rodgers
Increase fees at local level without moving to a regional front-door structure for fostering	A further cost benefit analysis should be conducted. Initial thoughts are that this would not be as favourable and that the benefits would be harder to realise as a single LA whilst still creating a considerable financial pressure for the LA.	Jane Rodgers
Increase fees and align with 1 or 2 of the Gwent LAs (i.e. a partial regional structure)	A further cost benefit analysis should be conducted. Initial thoughts are that this would not be as favourable and that the benefits would be harder to realise without the full regional structure. Those LAs in a more favourable position to proceed to a 3-way alignment are BG and Caerphilly.	Jane Rodgers
Look at different ADM for fostering	Some scoping thoughts / discussions are taking place to explore the potential to create a strategic partnership with not-for-profit organisations for the recruitment of Monmouthshire carers but this would potentially go against national and regional direction, and would require a detailed cost benefit analysis and business case to be developed. This would be a high risk strategy.	Jane Rodgers

8. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

2019-20 Pressure Proposal Form: PSCH004

The Senior Responsible Officer (SRO) for the proposal should complete the forms. Please use a separate form for each pressure.

The information provided in this pressure proposal will be used to enable Cabinet to decide whether to include the pressure in the MTFP and to assist with further mitigation of the pressure.

Pressure Title:	MyST Service (Project 5)	Lead/Responsible Officer:	Jane Rodgers
Your Ref No:	PSCH004	Directorate:	SCH
Version No:	1	Section:	Children's Services
Date:	27th November 2018		

Why is this pressure required?

MyST is a Multi-disciplinary Intensive Therapeutic Fostering Service for Looked After Children and Young People. The project is a partnership with Blaenau Gwent County Borough Council, under the governance of the Regional Children and Families Partnership Board and initially funded by the Integrated Care Fund (ICF).

How much pressure is there and over what period?

The ICF grant funding will sustain the local team for 18 months. It is expected that the intensive therapeutic fostering service becomes self-sustaining after a period of 18 months. To achieve this the local authority funds coming back from high cost placements needs to be diverted to meet the costs of the local team. The running costs (post-ICF funding) will be split on a simple 50:50 basis. Both Blaenau Gwent and Monmouthshire will need to fund the local team to the amount of £187,876.50 per annum once the 18 month ICF funding period has ended (anticipated to be from either 1st October 2020 or 1st April 2021 depending on when the team is operational with a suitable building sourced as its base). Given the existing overspend position on the external placement budget the operational costs of £187,876.50 per annum is represented as a potential pressure within the 19/20 MTFP for 21/22.

2021/22 £187,876.50
 (as in cabinet report)

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

Name	Organisation/department	Date
DMT	MCC	12 th Sept
SLT	MCC	16 th Sept 2018
CYP Select	MCC	18 th Sept 2018
Children and family partnership board	Region	Sept 2018
MyST Reference Group	Region	Sept 2018
IPC	IPC	Sept 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
N/A		

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

MyST supports the delivery of the next stage of the Children's Services improvement journey regarding ensuring the right service offer is in place for children in receipt of statutory social work services.

MyST accords with the work within the fostering project regarding the development of Monmouthshire carer's for Monmouthshire children, extending this to supporting in-house carer's to meet the needs of the most complex and troubled children.

It promotes and supports our aims to deliver against the Medium Term Financial Plan regarding returning children from high costs residential carer's, and preventing high cost residential placements (cost avoidance).

The project is based on a firm evidence of a similar project within Gwent (and elsewhere) with a proven track record of achieving financial savings and delivering better outcomes for children.

The Local Authority is now in a stronger position regarding attracting in-house carer's, and retaining a stable workforce within children's services, so has a stronger platform for building, including the development of family support intervention services.

The Local Authority will share risks with Blaenau Gwent County Borough Council.

The MyST project will be supported through grants for the initial 18months to reach financial sustainability.

Expected positive impacts

- The opportunity to improve outcomes for children and young people presenting with complex needs at a local level using an initial grant is maximised
- Opportunity to develop a Gwent wide approach to delivering a joint multi-disciplinary intensive therapeutic fostering service in close partnership with Health is maximised.
- Opportunity to develop a financially sustainable service that reduces the reliance on the external market (and potentially saves money longer-term) is maximised.

Expected negative impacts

n/a

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?

Blaenau Gwent and Monmouthshire will fund the local team to the amount of £187,876.50 per annum once the 18 month ICF funding period has ended (anticipated to be from either 1st October 2020 or 1st April 2021 depending on when the team is operational (with a suitable building sourced as its base).

Given the existing overspend position on the external placement budget the operational costs of £187,876.50 per annum is represented as a potential pressure within the 19/20 MTFP for 21/22.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Children's Services		187,876.50				187,876.50		187,876.50

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 proposal.

Action	Officer/ Service responsible	Timescale
To ensure delivery of the project in line with the agreed timescales.	Jane Rodgers	In line with project plan
To ensure all recruitment is carried out in line with the agreed structure	Jane Rodgers	In line with project plan
To operate within the partnership agreement	Jane Rodgers	In line with project plan
Ensure there is a clear pathway in order to identify Children who might benefit from the Project are referred into the service	Jane Rodgers	In line with project plan
That additional support provided to carers to enable them to look after children with complex needs is in place, appropriate and timely.	Jane Rodgers	In line with project plan
The regional MyST Programme Director and Clinical Directors are aware of and able to unblock any issues that might prevent this project from being a success.	Jane Rodgers	In line with project plan
That the 'Children and families Partnership' monitor progress and support the Project in order for it to succeed.	Jane Rodgers	In line with project plan

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
IT	Sourced from within host LA – but set up costs included in the grant	
HR Support	Sourced from within the host LA	

Advertising and marketing	Sourced from within the host LA – recruitment costs included within the grant	
Training	Team Teach, DPP, regional leads – included within operational costs	

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Number of residential placements	Reduction of average as a % of LAC	To be agreed			
Avoidance of high cost placements in cases which meet MyST criteria	Identification of cost avoidance	To be agreed			
Placement stability	% for MyST young people	To be agreed			
MyST Young people engaged in education or training.	% of	To be agreed			
Improved school attendance	%	To be agreed			
Improved emotional wellbeing	%	To be agreed			
Feedback from children and young people receiving a service from the project.	Including number of children placed closer to home, quality of friendships, access to employment/ education/ training	To be agreed			

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 risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low)	Mitigating Actions
<i>Unable to attract and appoint suitable calibre of staff into posts</i>	Operational	Current recruitment market and overall shortage of CS workforce	Medium	All posts are permanent, increasing likelihood of quality staff applying. Robust adverting, selection and training processes in place.

Inability to achieve the financial release children and Young people returning from residential placements to enable to team to be sustainable			Low	Children are already identified. We already have skilled carers. Skilled carers cost less than alternative options. Builds on existing evidence base. Programme Director and Clinical Director will unblock issues as they arise. The partnership will monitor progress and support the project to succeed.
Redundancy costs should the project not be sustainable	Operational	In line with Protection of Employment Policy	Low	There is a commitment that HR issues will be dealt with collectively. There are vacancies across all Local authorities, reducing the potential for redundancy costs There is recent history of staff being re-absorbed into local authorities.
Capital bid may not be successful leaving the regional team and the local base or suitable accommodation might not be found.	Operational / strategic	Lack of accommodation available in suitable locality	Medium	Look to house the team within the existing accommodation to meet the needs of the project.

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That full savings of a child returning to the LA from residential may not be achieved.	Existing funds will still be required to fund the local placements (at a much reduced rate)	Head of Service Monitored by Finance.
The model is based on the success of the Torfaen and Caerphilly models.	Information provided from these models suggest that we will reduce the external placements and will deliver better outcomes for children.	
Monmouthshire will share the risks with Blaenau Gwent County Borough Council.	This is a partnership arrangement between the two local authorities.	Head of Service.
After the initial 18 months the grant money to transfer to Newport.	This will enable Newport to set up their multi-disciplinary intensive therapeutic fostering service.	Gwent Children and Families Partnership Board.

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Option 1 Do nothing	The opportunity to improve outcomes for children and young people presenting with complex needs would be lost Opportunity to develop a Gwent wide approach to delivering a multi-disciplinary intensive therapeutic fostering service within Monmouthshire which would mirror approaches already adopted by Torfaen and Caerphilly would be lost.	DMT / SLT / cabinet
Option 2 For Monmouthshire to develop a joint multi-disciplinary intensive therapeutic fostering service for Looked After Children and young people as a single Local Authority.	Loss of Partnership Support and investment through the ICF grant (full or part) requiring up-front investment from the Council The future sustainability of the Project would be predicated on a greater reduction of children placed in residential care and the risks of not achieving this would fall to Monmouthshire alone.	DMT/ SLT / Cabinet
Option 3 Chosen Option To develop a joint multi-disciplinary intensive therapeutic fostering service for Looked After Children and young people between Blaenau Gwent and Monmouthshire County Borough Councils, using an ICF to establish the service over the first 18 months.	Reason for chosen option. The opportunity to improve outcomes for children and young people presenting with complex needs at a local level using an initial grant is maximised. Opportunity to develop a Gwent wide approach to delivering a joint multi-disciplinary intensive therapeutic fostering service in close partnership with Health is maximised. Opportunity to develop a financially sustainable service that reduces the reliance on the external market (and potentially saves money longer-term) is maximised.	DMT/ SLT / Cabinet

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Overspend in Children's Services	Lead/Responsible Officer:	Jane Rodgers
Your Ref No:	PSCH005	Directorate:	SCH
Version No:	2	Section:	Children's Services
Date:	3rd December 2018		

Why is this pressure required?

As part of the 2018/19 formal forecast monitoring exercise, the month 7 Children's Services forecast outturn is set to overspend by £561,000.

As part of the 2019/20 MTFP, the full year implications of the overspend were worked through to predict the effect on 2019/20.

Pressures arise from the increased demand on the service right across the spectrum of need and particularly in respect of the numbers of children requiring longer term interventions through child protection, court and Looked After / Leaving Care services. With more children in the system this has a knock on effect across the service in respect of the cost of providing the full range of support and services that are required including staffing costs.

How much pressure is there and over what period?

Based on the 2018/19 month 7 forecast, the predicted 2019/20 overspend was £493,000. In further consideration of mitigating actions that could be worked through totalling £235K, the anticipated overspend was reduced to £258,000, as per the below breakdown: -

Analysis of £493,025 Full Year Effect Budget Pressure 2019/20

AREA OF OVERSPEND	£
2% Staff Efficiency, based on Budget Build	94,969
Staff travel/mileage budget reduction in year	12,398
Staff travel/mileage budget overspend prior to in year budget reduction	16,544
In house fostering budget	82,262
External placement budget (which includes IFA placements)	69,772
External Transport	84,566
Direct Payments & Respite Care Pressure	40,035
Professional Fees	25,000
Agency/over establishment staff costs	67,479
Full year effect before mitigation	493,025
LESS - Mitigating factors	
Remove anticipated full year effect of case NJ	(168,000)
Remove agency/over establishment staff costs	(67,479)
Full year effect after mitigation	257,546

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

Name	Organisation/department	Date
DMT	mccPage 54	21/11/2018

Will any further consultation be needed?		
Name	Organisation/ department	Date
DMT	MCC	On-going

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
Children's Services are enabled to deliver services within budget
Expected positive impacts
<ul style="list-style-type: none"> • Service continues to safely meet current demand and respond appropriately to children in need of care, support and protection • Service continues to develop and plan towards achieving financial sustainability as part of on-going programme of work 'Delivering Excellence'
Expected negative impacts
<ul style="list-style-type: none"> • Budget is diverted from other areas of the council.

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?								
Based on the 2017/18 month 7 Children's Services forecast outturn.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Children's Services	11,460,529	257,546		257,546				257,546

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 proposal.

Action	Officer/ Service responsible	Timescale
Continue to implement budget recovery actions linked to the overall programme plan for Children Services 'Delivering Excellence' now at (the end of Yr 3). Key areas of activity:	Jane Rodgers	Programme on-going
<ul style="list-style-type: none"> Ensure financial checks (systems and processes) are in place and working well 		
<ul style="list-style-type: none"> Continue to implement pathways to independence work for individual cases (LAC and Non-LAC) where there are high cost packages of care in place. 		
<ul style="list-style-type: none"> Implement MyST to support this programme and cost avoid 		
<ul style="list-style-type: none"> Work more effectively with health to secure increased contributions (inc Continuing Care) in complex cases 		
<ul style="list-style-type: none"> Continue to deliver fostering project to reduce reliance on IFAs 		
<ul style="list-style-type: none"> Fully implement family support offer at all tiers to ensure de-escalation of need / complexity wherever possible. 		
<ul style="list-style-type: none"> Undertake transport review 		
<ul style="list-style-type: none"> Continue to implement workforce strategy 		

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget / Customer	% in-house places : IFA placements	increase			
Budget / Customer	# children in residential placements	decrease			
Budget / Staff	# / % agency staff to permanent	decrease			

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 risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low)	Mitigating Actions
<i>Increase demand LAC and CP within the system</i>	Operational	Current trend broadly in keeping with national picture	High	Full implementation and further development of preventative services
Fragility of Workforce	Operational	Workforce Data	High	On-going implementation of workforce strategy
Scope and pace of changes required by the service to cope with operational demand; the development and re-design of services; and delivering on practice change	Operational	Scope of the current programme plan	High	On-going support to leadership group within service through DMT / SLT

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
------------	--	----------------

Current demand stays the same	Projection is based on 'as is' whereas in reality new cases / risk within current cases will arise during the course of the year	

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
1. Do not address the current pressure	Children's Services would continue to be in an overspend position	
2. Increase pressure to the 'worst-case scenario' – no mitigating factors	There remains a small chance of achieving below the 'worst-case scenario', making the additional pressure unnecessary. We have time leading up to next year's budget to work on mitigations considered in order to achieve.	

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Transport to Welsh Medium Education	Lead/Responsible Officer:	Richard Cope
Your Ref No:	Original Ref 16/17 BP08	Directorate:	Enterprise
Version No:	3	Section:	Passenger Transport Unit
Date:	30.11.18		

Why is this pressure/efficiency required?

The pressure is required because the new welsh medium secondary school Ysgol Gyfun Gwent Iscoed opened in Newport in 2016 , transport is increasing to this school year on year and we also still have to provide transport from the south of the county to the existing welsh school in Pontypool Ysgol Gyfun Gwynllw until 2022.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

The pressure was first submitted with other pressures in 2015/16 (Ref BP08) and resubmitted in November 2017 with projections for the following years as detailed below:-

£72k 19/20

£75k 20/21

£62k 21/22

Ref BP08

<http://corphub/initiatives/budgetmandates/20162017/Pressure%20Mandates/>

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

This was undertaken as part of the previous proposals .

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
	Extra Transport required to maintain transport to both welsh medium secondary schools until 2022	72K	75K	62K		209K

Pressure Title:	Street Lighting Energy Price Increase	Lead/Responsible Officer:	Gareth Sage
Your Ref No:	PENT001	Directorate:	ENT
Version No:	1.1	Section:	OPS
Date:	29/11/18		

Why is this pressure required?

Energy price increases are anticipated to be in the region of 20% next year. This will put a pressure on the street lighting budget as energy costs will outstrip the budget available.

How much pressure is there and over what period?

2019/20 total anticipated pressure = £74,000

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

Name	Organisation/department	Date
	SLT/Cabinet	November

Will any further consultation be needed?

Name	Organisation/ department	Date

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Investing in the pressure will ensure the Street Lighting function has enough budget to operate and will alleviate a problem that, if not plugged, will result in cuts to lighting repair budgets or other maintenance budgets within operations.

Expected positive impacts

N/A

Expected negative impacts

N/A

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?

20% increase on forecast energy spend in 18-19 taking the predicted total costs for energy to £370,000.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Street Lighting	670,000	£74,000	0	£74,000				£74,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Continuation of investment in LED lights to help reduce energy output.	Gareth Sage	

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget Monitoring	Budget performance	Break-even	Break-even	Break-even	Break-even

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 risks.

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
N/A				

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

Energy Price increase will be 20%	Estimate provided by our energy manager. This is the current best guess, until purchasing cycle is complete we will not know the true increase.	Ian Hoccom – Energy Manager

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do Nothing	Energy budget will overspend	Gareth Sage
Switch off	No appetite for further switch-off.	Gareth Sage

Pressure Title:	Potential loss of MHA Contract	Lead/Responsible Officer:	Carl Touhig
Your Ref No:	PENT002	Directorate:	Enterprise
Version No:	1	Section:	Waste and Street Services
Date:	04/12/18		

Why is this pressure required?

The grounds maintenance service currently provides a service to Monmouthshire Housing Association (MHA). The MHA contract for grounds maintenance services across their estate/s has been retendered. The value of the contract to the service area is currently valued at £250,000. If the department are not awarded the contract there will be gross income loss of £250,000.

Through the TUPE regulations, 7 posts have been put forward to a value of £170,000 but were challenged by MHA resulting in 5 posts @ £130,000 TUPE being accepted. If the contract is lost, there will be a reduction in machinery maintenance which will result in a partial saving. The maintenance/equipment budget pressure will be an estimated £20,000.

The resultant budget pressure is estimated at £100,000

How much pressure is there and over what period?

The budget pressure of £100,000 for 2019/20. The grounds maintenance schedules can be reviewed during 2019 once the outcome of the contract award is known and additional external income will be sought for 2020/21 to help to alleviate and partially mitigate the pressure but the impacts of this are not known nor secured.

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

Name	Organisation/department	Date
Frances Williams	MCC	October 2018
Roger Hoggins	MCC	October 2018
Rob O'Dwyer	MCC	November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Elected Members	MCC	Jan 2019

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Grounds maintenance will be able to continue to operate during 2019/20 to fulfil internal work and external contract work. By investing in the service, it will give the opportunity to revise schedules and mowing regimes to reduce pressure in future years.

Expected positive impacts

Maintain capacity to deliver grounds maintenance functions for internal and external contracts.

Expected negative impacts

If contract is lost there will be different mowing regimes across MHA owned land and MCC owned land. It is anticipated that this will lead to complaints and will take time and additional resources to rationalise schedules to minimise the impact.

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?

Income on contract is £250,000 for past 10 years. TUPE and reductions in maintenance of machinery of £150,000 leaves £100,000 pressure

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Grounds	£1.2m	£250,000	£150,00	£100k				£100,000

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 proposal.

Action	Officer/ Service responsible	Timescale
--------	------------------------------	-----------

Review mowing schedules in 2019/20 to reduce pressure in subsequent years	Carl Touhig	December 2019
Explore opportunities for additional income for the service	Carl Touhig	Jan-March 2019

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Support from MCS team to move paper based schedules into MCS	MCS team and Abavus	

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	Deliver grounds maintenance services within overall budget	£1.3m			
Source additional external income			£100k		

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 risks.

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

Managing complaints regarding mowing regimes	Ops	If MHA have different contractor we will no longer cut total area and standards will be different	Medium	Reschedule MCC schedules to reduce cuts and where practical cut on same week as MHA
Decisions delayed on reducing mowing schedules	ops	Reductions in mowing schedules have not met political approval in the past	Low	Work with members to deliver sensible mowing regime that reduces cost and ensures MCC remains clean, green and safe.

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That MCC will not secure the MHA contract	There are no guarantees that MCC will win the tender for services.	MHA

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do not bid for contract and reduce mowing schedules in 2019/20	Tender value is £250,000 per year. Income generation is key to supporting grounds maintenance budget; MHA contract supports internal core work through efficiencies of scale. We will still be cutting plots in same areas that are non-MHA properties.	Commercial team WSS
Seek additional external work	No capacity to tender for additional work at same time as preparing MHA tender. New contract will commence May 2019 leaving no time to implement other changes to reduce costs in 2019.	Commercial team WSS

Pressure Title:	Loss of Tidy Towns grant funding and reduction on ESDD grant	Lead/Responsible Officer:	Carl Touhig
Your Ref No:	PENT003	Directorate:	Enterprise
Version No:	1	Section:	Waste and Street Services
Date:	04/12/18		

Why is this pressure required?

Welsh Government have ceased a grant funding pot that has supported core services for cleansing, fly tipping and community improvement, litter champions and dog fouling work for last 7 years. The pot was £115,000 and this was shared between waste services, countryside services and sustainable development. Waste retained £60,000 of this pot.

The funding has been moved into RDP type funding pot where Councils bid collaboratively for elements that support environmental resources and wellbeing. A collaborative bid has been developed. This bid will be with Keep Wales Tidy for the waste element with a maximum funding pot of £30,000 for MCC if successful.

In addition to this grant reduction, WG have indicated an annual 10% reduction on the ESDD grant which supports waste services. This grant is currently £523,246 and will give a pressure of £52,000 in 2019/20.

How much pressure is there and over what period?

£30,000 pressure ongoing

£52,000 pressure in 2019/20 and there is an ongoing reduction anticipated in ESDD grant per annum creating an ongoing pressure.

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

Name	Organisation/department	Date
Frances Williams	MCC	October 2018
Roger Hoggins	MCC	October 2018
Countryside	MCC	October 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Keep Wales Tidy		Jan 19
Elected Members		Jan 19

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Funding will allow the continuation of litter champion's support, community improvement teams and community projects to reduce litter, clear fly tipping and implement services in line with Litter Strategy.

Delivery of existing waste services.

Expected positive impacts

Continue to support excellent work of litter champions and implement Litter Strategy

Expected negative impacts

Reduced funding and national collaborative bid will reduce capacity to support community clean-ups and localised campaigns to reduce litter and improve the local environmental quality indicators.

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?

Confirmed reduction in grants from WG which will be implemented in March 31st 2019

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Waste	£7m	£30,000		30k				£30,000
Waste		£52,000		52k	47k	42K	40K	£181,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Work with KWT to deliver national collaboration in form of Caru Cymru/Love Wales to continue LEQ work.	Carl Touhig	February 2019
Implementation of changes to waste services	Carl Touhig	April 2019

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	Deliver waste services within overall budget	£7m			

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 risks.

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
KWT unsuccessful with bid and full pressure of £60k ensues	Strategic	Confirmation of bid and grant funding will be March 2019	low	KWT have worked with 22 authorities on bid and in conjunction with WG advisors on eligibility criteria.

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
KWT will secure grant	KWT have developed bid in conjunction with all Welsh Authorities and bid appears to meet the eligibility criteria a set by WG	Carl Touhig
Services will be maintained at the current level	It is assumed that the grant awarded to MCC is not going to be less than currently modelled.	Welsh Government

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Reduction in service provision	Maintaining the service provision within Waste Streetscene services is important to continued delivery of corporate priorities	Carl Touhig

Pressure Title:	Increased management costs of household waste recycling centres and transfer stations	Lead/Responsible Officer:	Carl Touhig
Your Ref No:	PENT004	Directorate:	Enterprise
Version No:	01	Section:	Waste and Street Services
Date:	Dec 18		

Why is this pressure required?

Viridor have proposed an increase in management costs to mitigate losses in last 2 financial years and loss of income from food and garden waste processing and move to energy from waste from landfill.

With contractual changes in 2015 to move from landfill to energy from waste and in 2018 the move from in-vessel composting to Anaerobic Digestion and from garden waste treatment at Viridor Walpole to Abergavenny Green Waste the overall value of the contract for Viridor has reduced by £875,000. Viridor have maintained the service levels and worked closely with MCC to mitigate costs but are unable to sustain this budget pressure moving forward.

How much pressure is there and over what period?

The existing management fee is £1.045m.

Viridor propose a new fee of £1.52m for 2019/20 but this includes a proposal for profit sharing the recycle sales estimated at £100k leaving gross pressure of £375,000.

The contract for the management of our Household Waste Recycling Centres (HWRC), Waste Transfer Stations (WTS) and associated waste disposal contracts is ready to be tendered. This contract will only be issued following elected member decisions on the future requirements for service provision including for example the opening hours, day closures and/or full closures.

It is projected that the new contract will commence in October 2019. It is unknown at this point what service provision will look like or what retendered service will cost.

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

Name	Organisation/department	Date
Frances Williams	MCC	October 2018
Roger Hoggins	MCC	October 2018
Rob O'Dwyer,	MCC	November 2018
Viridor	Viridor	September 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Viridor		Jan 19

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
Without the investment in this identified pressure, the HWRCs and waste transfer stations will close on March 31 st 2019 until new contractor can be appointed or service is provided in-house following TUPE and permits approvals. This is a significant risk for the Authority and the service area should the pressure agreed.
Expected positive impacts
HWRCs and WTS remain open to public and MCC from the end of March 2019 and a new contract reflects service provision to meet affordability envelope.
Expected negative impacts
None if funded

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?								
Viridor have provided a proposal and costings for the service continuation beyond March 31 st 2019 and until the new contract (and new costs) commence.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Waste	£7m	£375,000		£375k				£375k

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 proposal.

Action	Officer/ Service responsible	Timescale
Retender service following political decision on service provision beyond April 2019 and for length of new contract	Carl Touhig	February 2019

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Consultancy to provide shadow bid for affordability envelope	WRAP and Welsh Government funded Eunomia to develop contract and shadow bid	In house support from procurement, commercial services and legal team on tendering process

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	Deliver waste services within overall budget	£7m			
Retender contract or bring service in-house	New contract model				

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 risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score	Mitigating Actions

			assessing the probability & impact	
Service provision required exceeds affordability envelope	Strategic	Market testing on existing service indicates the contract value will exceed the current budget of £1.045m	high	Work with Members to reduce service levels to reflect affordability envelope

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Viridor agree to provide service for 12 months at £1.52m	Viridor are keen to continue to work with MCC and will be retendering for contract – pulling out of contract on March 31 st and leaving MCC with no provision will damage the partnership style relationship that has been built over last 30 years.	Carl Touhig

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do not tender contract and extend with Viridor	Market remains untested and MCC may not be getting most economically advantageous tender price	Carl Touhig
Bring service in house	Costs for running service in-house are being developed alongside affordability envelope – purchase of plant and machinery, permit approvals and TUPE would be unachievable by March 31 st .	Carl Touhig

Pressure Title:	Car Park Income Pressure	Lead/Responsible Officer:	Roger Hoggins
Your Ref No:	PENT005	Directorate:	ENT
Version No:	1	Section:	OPS
Date:	30/11/2018		

Why is this pressure required?

Car Park income has dropped since Morrisons car park opened in Abergavenny where they provide two free hours parking at their car park. There is now an identified shortfall in the pay and display income.

When the site was sold the original agreement required Morrisons to replicate MCC charging arrangements but to increase the capital receipt the amendment was made to allow free parking for 2 hours. No revenue pressure was made for 18/19 as the impact was not anticipated to be so severe.

How much pressure is there and over what period?

Ongoing – it is predicted that this will be at least £120k each year and would vary based upon use.

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

Name	Organisation/department	Date
SLT	MCC	October 2018
Cabinet	MCC	November 2018
Enterprise DMT	MCC	October & November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Elected Members		Jan 19

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

This is a budget issue of reduced income due to the increased Car Parking Spaces with the supermarket. To match the offer MCC would need to offer 2 free hours in car parks as well but this would have further implications upon the income through pay and display income.

Expected positive impacts

There is a perception that free parking would generate extra footfall within the town centre but there are opposing views that charges do not deter shoppers assuming that the levels at which they are set are reasonable.

The Morrison's store is proving a popular addition to the Abergavenny retail offer.

Expected negative impacts

Loss of income to invest elsewhere in car parks, public transport, highway infrastructure, town centre management etc.

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?

Car park income is down since Morrison's offered 2 free hours parking

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Car parking		£120,000		£120,000				£120,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Increase charges elsewhere within county to offset loss	Car parks	July'19

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Car park management staff to develop, propose and implement new charging regime	Direct employment, consultancy support	

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget Monitoring	Income levels & Budget Performance	Break-even	Break-even	Break-even	Break-even

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 risks.

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
Change in shopping habits	strategic	Known potential effect of charging too high coupled with wealth of shoppers	high	Adjust budget down

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That customer demand levels are maintained	Retail offers remain reasonably buoyant but shopping habits change	Roger Hoggins

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
A number of changes to pay and display charges are presented within the savings mandates		

Pressure Title:	Fuel Increase Operations	Lead/Responsible Officer:	Roger Hoggins
Your Ref No:	PENT006	Directorate:	ENT
Version No:	1	Section:	OPS
Date:	29/11/18		

Why is this pressure required?

Fuel prices have been increasing to levels that can no longer be managed within service budgets. The medium term financial plan (MTFP) model assumes zero inflation on non-pay expenditure so current price rises are affecting budgets in our services that have heavy vehicle and plant use.

How much pressure is there and over what period?

2019/20 - £40,000

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

Name	Organisation/department	Date
SLT	MCC	October 2018
Cabinet	MCC	November 2018
Enterprise DMT	MCC	October & November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Elected Members	MCC	Jan 19

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

Investing in the pressure will ensure the Operations department has the correct level of budget to operate and as a result not adversely affect the provision of front-line services.

Expected positive impacts

N/A

Expected negative impacts

N/A

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?

5% increase on forecast fuel spend in 18-19 of £800,000.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Operations	£800,000	£40,000	0	£40,000				£40,000

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 proposal.

Action	Officer/ Service responsible	Timescale
N/A		

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget Monitoring	Budget performance	Break-even	Break-even	Break-even	Break-even

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 risks.

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
There is a risk that fuel prices will continue to fluctuate significantly making it difficult to predict the implications on the budget	Operational	Fuel prices have continued to rise and fluctuate	Medium	Consideration is given to each vehicle purchase of the use of alternative fuels to reduce expenditure on diesel and move towards more sustainable fuel sources. This will take time to implement as vehicles evolve and become more effective.

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Fuel Price increase will be 5%	This is an estimate based on price inflation forecasts, current trend estimates a 5% increase, although this can fluctuate.	Roger Hoggins

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do Nothing	Fuel budgets will overspend meaning front line services will have to amend working practices to bring budget back in line.	Roger Hoggins

Pressure Title:	TLCY Pressures	Lead/Responsible Officer:	Ian Saunders
Your Ref No:	PENT007, PENT009 – PENT023	Directorate:	Enterprise
Version No:	1	Section:	TLCY
Date:	28 th November 2018		

Why is this pressure required?

TLCY has had significant income and savings targets over the past few years, and has seen budgeted income rise by 2.5% whilst having to manage in year inflationary pressures, adjust to changes in demand and subsidy withdrawals from other local councils whilst continuing to maintain front line services.

In December 2015, after a series of annual budget cuts, concerns were expressed about being able to sustain these services and a decision was taken to explore alternative models of provision. This has resulted in a business case being developed which would enable the authority to maintain these services through an ADM.

Whilst the business case was being developed, only limited pressures were built into the MTFP and in 2018-19 part year pressures of £143k were built into the model (and removed as part of the 19-20 MTFP process albeit they were not one-off) on the assumption that the ADM would be operational by September 2018. A decision still needs to be determined as to whether the ADM will go ahead and so regardless of the model chosen, the real pressures facing the service have to be built into the MTFP (the Monlife ADM business plan includes the same assumptions)

How much pressure is there and over what period?

The total pressure is £404k and covers the period 2017 to 2019. The breakdown of this is as follows

£30k – Monmouth Leisure Centre Rates – the leisure centre is in the process of being redeveloped with partial opening from August 2018 and the new swimming pool scheduled to be opened in February 2019. It is likely that the rates bill will increase. This amount is an estimate only

£27k – Inflation across all TLCY services – to include rates and fuel costs. Costs are anticipated to rise further in 2019.

£89k – Prior Budgeted Income targets at Attractions (Shirehall, Caldicot Castle, Tintern) have been unachievable

£25k – Chepstow TIC – Potential withdrawal of funding from the Town Council for 2019 and the need to support the longer opening hours and double manning where necessary

£8k – GI & ROW – contribution to the Brecon Beacons National Park has increased from £10k to £18k in 2018

£50k – Leisure Centres Cleaning Contract – the contract with Regent Cleaning increased in April 2018 (no increases since 2015) by 23% resulting in a pressure of £31k for 3 sites. Notice has now been served on this contract and will be provided in-house by MCC staff resulting in additional costs as terms and conditions are better than the private sector; also the contract does not provide enough cover to adequately clean the centres leading to customer complaints. The remaining £19k is to take account of the required increase for Monmouth to deal with the new café / play area and swimming pool once it is fully operational in spring 2019.

£27k – As part of the ADM set up, additional funding was provided in 2018/19 to kick start the process. This involved the appointment of a Marketing manager (interviews December 2018) in order to increase the uptake of these services. This gross cost of the post is £54k but assumes that increased demand will result in sales of £27k

£23k – The previous restructure of Museums did not achieve all of the required savings as there is still the need to man at all times (so cannot achieve vacancy factor) and the service still needs to cover sickness and annual leave.

£94k – Outdoor Education – the service was part of a Gwent wide partnership that saw Newport withdraw its subsidy in 2013. Further cuts in local government funding meant that both Torfaen and Blaenau Gwent have gradually reduced their subsidy and from April 2019, no subsidy will be received. This significant loss of income and a reduction in users has meant providing the service to a different market and the service has been successful in attracting the National Citizenship service. Whilst this has made a significant contribution to the income loss, it has not been able to fully compensate for the loss of subsidy. The service is undertaking a full review and one of the expected outcomes is to close one of the three sites in operation whilst also looking at new markets for income generation.

£10k – Play – reductions in grant income for open access play

£21k – Youth – all posts were re-evaluated through the JE scheme in 2017 resulting in staff moving up one full grade with no increase in budget provision.

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

Name	Organisation/department	Date
	Torfaen County Borough Council	Autumn 2018
	Newport City Council	Autumn 2018
	Blaenau Gwent Borough Council	Autumn 2018
	Operations – Cleaning	Last 6 months
	SLT/Cabinet	November 2018
	Enterprise DMT	October & November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
	Chepstow Town Council	Jan 19

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Will maintain existing service provision.

Expected positive impacts
The nature of these highly valued services will continue to provide quality experiences and assist in delivering the corporate plan objectives. The marketing of the services and expected more joined up approach should see more people being attracted to use these services.
Expected negative impacts
Continued pressure on staff to deliver services however the teams are working hard to ensure support is in place through transition meetings. There may be some adjustment to opening times in museums for winter months and closure of one outdoor education building.

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?								
Pressures have been identified as part of on-going budget monitoring and overspending at end of year. Future pressures such as the rates for the redeveloped Monmouth LC have been estimated. Additional costs for cleaning have been calculated based on the actual increase by the cleaning contractor in April 2018 at 4 sites with predicted extra costs for staff being paid on MCC's terms and conditions following the termination of the contract. Inflation has been calculated at 2.5% and is unavoidable for utility costs and rates at sites.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
TLCY	3,444,900	404,000	0	404	0	0	0	404,000

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 proposal.

Action	Officer/ Service responsible	Timescale
The business plan for MonLife identifies various options for offsetting these pressures, including benefits from Business rates.	MonLife Project Team	November 2018
MonLife Business Plan assumes various income generating ideas. For each option, a detailed project plan has / is being developed to ensure that the option can be delivered within the timescale and achieve the required financial outcome	MonLife Project Team / Senior TLCY Managers	September 2018 – December 2018

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Extra Finance Support	Part of ADM Business Plan – included within extra costs	Support from Business Manager and Business Support Team Leader
Extra Marketing and Sales expertise	Part of ADM Business Plan – included within extra costs. Post advertised and included within pressures list above	Support from Business Manager

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	Monthly Forecast / Outturn for MCC (also within new performance and evaluation framework for MonLife)				
Customer / Process	Various Measures identified within MonLife's Performance and Evaluation Framework – includes existing TLCY measures as well as new targets				

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 risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low)	Mitigating Actions

			assessing the probability & impact	
Delay to ADM process	Strategic	Key partners and stakeholders not clear on direction of future service delivery	Medium	Trying to keep all partners aware of situation regarding the process and timescales. Obviously due to the nature of the different services involved we have multiple partners to consider across leisure, outdoors education, museums, countryside and attractions. Many friends groups, NGB's and societies to consider
Delay to ADM process	Operational	Teams are showing signs of disruption and uncertainty which is having adverse impacts on service delivery and team cohesion.	High	Trying to ensure all staff and teams are kept up to date. Many sessions with staff have been undertaken through the period both as individual teams and individual basis.

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Alternative Delivery Model	Still to be determined – Strategic outline business case prepared along with five case business model which identified various options – do nothing, transform in house, ADM or privatisation. Do nothing and privatisation options	Council

	disregarded. Monlife business plan and its assumptions are currently being evaluated by Senior Management.	

Pressure Title:	Blaenau Gwent income	Lead/Responsible Officer:	Carl Touhig
Your Ref No:	PENT024	Directorate:	Enterprise
Version No:		Section:	WSS
Date:	5/12/2018		

Why is this pressure/efficiency required?

One off saving not materialising for 18/19, therefore budget base needs to be readjusted for 19/20.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

Budget saving proposal PENT024

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

n/a – part of budget proposals 2018/19

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
PENT024	Blaenau Gwent	100k				£100,000

Pressure Title:	2018/19 HWRC closures proposal	Lead/Responsible Officer:	Carl Touhig
Your Ref No:	PENT025	Directorate:	Enterprise
Version No:		Section:	WSS
Date:	06/12/18		

Why is this pressure/efficiency required?

The 2018/19 mandates included a £13k saving proposal that was not implemented. A review of closures of sites was due to be considered but was not taken forward by Members in 2018/19.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

OPS6 was a savings mandate to review HWRC provision but this was not taken forward resulting in a pressure.

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

OPS 6 was part of the Budget Mandate for 2018/19 where a Wellbeing Assessment was completed.

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
OPS6	HWRC closures	13,000				13,000

Pressure Title:	Contact Centre - Increasing Software Costs	Lead/Responsible Officer:	Matthew Gatehouse
Your Ref No:	PCEO001	Directorate:	CEOs
Version No:	0.1	Section:	Policy Governance and Customer Service
Date:	20/11/18		

Why is this pressure required?

The software costs of the contact centre have been impacted by increasing costs being passed on from SRS, largely as a result of a change in the exchange rate. Contracts for the switchboard and contact centre are in place with Cisco Systems and are priced in US dollars. The contact centre and community hub also bear part of the financial cost for the My Council Services App which they have no budget for.

How much pressure is there and over what period?

£35,000 in 2019/20, beyond this it is anticipated that a new software solution can be purchased but on the basis of initial enquiries this may not be cheaper than the existing solution

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

Name	Organisation/department	Date
Ollie Stanton / Matt Lewis	SRS	Nov 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
No		

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Continued operation of the council's switchboard and contact centre telephony arrangements and the continued ability to fund the My Council services app which is paid in part by the service but is unfunded.

Expected positive impacts

Continued ability to effectively manage and deal with around 57,000 calls into the contact centre dealing with issues such as grass-routes bus bookings, waste collection and council tax. In addition to this the switchboard handles around 12,000 calls a year. Over time it is anticipated that the My Monmouthshire app and the development of the Chatbot will enable more effective management of customer queries across a broader range of channels

Expected negative impacts

No negative impacts identified at this stage

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?

The evidence for the pressure has been supplied by SRS who manage the software on behalf of MCC, Blaenau-Gwent and Torfaen Councils and then distribute the costs according to usage. SRS have indicated a significant increase in costs from 2018-19 onwards attributed to a change in the dollar/pound exchange rate. The service has borne this pressure in the current year but is unable to do so going forward – particularly as it is playing a central role in automation of customer queries via the chatbot and app as well as making a significant contribution to savings proposal in the 2019-20 budget

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Contact centre	£15,000	£35,923.33	-	£35,923	Not known – anticipate recurring			£35,923.33

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 proposal.

Action	Officer/ Service responsible	Timescale
Customer Experience Review – Seek to reduce the number of VOIP licences included as part of the contract re-charge.	Matthew Gatehouse / Abby Barton	March 2019 onwards
Collaborate with other authorities on a tendering exercise to seek a better value and more effective solution for switch and contact centre arrangements	Matthew Gatehouse / Abby Barton/SRS	November 2019

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Procurement capacity and technical expertise	SRS	n/a

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Responsiveness	Percentage of phone calls that are unanswered (presently 19%)	18%	16%		
Channel Choice	Shift in proportion of customer queries dealt with via app and chatbot (based on monthly volumes for contact centre, hub, web, bot and app – presently 3.5%)	5%	8%		

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 risks.

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
Potential risk that a further increase in the number of VOIP licenses held will drive up costs	Operational	It has been identified that in some cases new starters are being allocated new licenses and phone numbers while existing licenses go un-used.	Low	Effective management of telephony Improve operation of active directory within Sharepoint Manual data validation of users against licenses
Potential risk of further negative fluctuations in the exchange rate that could lead to additional costs of a contract priced in US dollars	Strategic	Current uncertainty over demand for sterling as a result of uncertainty over future trading position of the UK	Med	None identified

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Inability to impact on costs within current contractual arrangements	SRS have already queried costs with supplier and explored potential for discounts based on dormant licenses.	Head of Policy and Governance
The need to have software to manage telephony	Industry standard approach	Head of Policy and Governance

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Exit Contract and seek alternative supplier	Contract in place, lead time in exploring and putting in place alternative arrangements	Head of Policy and Governance
Cease to use my council services app to reduce software costs	This would be at odds with current direction of travel and aspirations of the Council's Corporate Plan 2017-22	Head of Policy and Governance

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Commercial Income from Communications, Marketing and Engagement	Lead/Responsible Officer:	Matthew Gatehouse
Your Ref No:	PCEO002	Directorate:	CEOs
Version No:	0.1	Section:	Policy Governance and Customer Service
Date:	20/11/18		

Why is this pressure required?

The Communications, Marketing and Engagement Team have an income target of £20,000 per year. This has resulted in the communications manager investing disproportionate amounts of time and capacity pursuing small packages of work, the income from which is not covering costs and is proving a distraction from core business while not achieving the desired income. The one significant activity, an agreement to provide marketing support as part of a call-off agreement for the Education Achievement Service, has now ceased to provide any significant income. This will allow the team to focus on the core business of the authority and contribute more pro-actively to commercial opportunities throughout the authority such as generating income from advertising.

How much pressure is there and over what period?

£20,500, permanent adjustment to budget.

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

Name	Organisation/department	Date
SLT	SLT	November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
None		

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

This is aligned to a clear commitment in the Corporate Plan (#21) That the council deliver a sustainable and resilient organisation and relevant, viable and valued public services.

Within this there is an action to develop a commercial strategy and approach. The Head of Commercial and integrated Landlord Services has subsequently developed a Commercial Strategy and this pressure will enable the team to use its marketing expertise focus energy on maximising commercial opportunities for the council in support of the council as well as focusing on communications, engagement and ensuring effective proactive management of the council's reputation through effective and pro-active customer engagement which prevents the escalation of problems.

Expected positive impacts

- Contribute to increasing revenue from commercial opportunities throughout the council in line with the commercial strategy
- Increased capacity to invest in improving customer experience, including the optimisation of all customer channels as identified in the Corporate Plan
- Reduction in potential conflict between advising departments on the client side and looking to secure income from commercial activities
- Free-up capacity to focus on engagement to support aspirations of getting more people involved in local democracy aligned to the aspirations of the Democratic Services Committee

Expected negative impacts

There are no negative impacts other than the opportunity foregone to use the funding specified in an alternative way.

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?

Based on current budget and the un-achievable income target within it.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Policy, Engagement	£167,350 (X059)	£20,500		20,500				£20,500 recurring pressure

and Marketing								

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 proposal.

Action	Officer/ Service responsible	Timescale
Develop		

4. Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposed 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 identified		

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Process	Number of commercial income opportunities that have benefitted from input from the team	Not yet known			
Budget	Amount of commercial income generated from	Not yet known			

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 risks.

Barrier or Risk	Strategic/ Operational	Reason why identified (evidence)	Risk Level (High, Medium or Low) Based on a score	Mitigating Actions

			assessing the probability & impact	
Potential risk that departments will pursue commercial opportunities without involving the team	Operational	When the authority previously employed a marketing professional their advice and input to campaigns was not always sought	Medium	Ensure awareness of the offer
Potential risk that the current economic climate could impact on the budgets of organisations that may be seeking to invest	Strategic	Current certainty within the UK economy	Low	A professional and well-positioned offer with clear data and a compelling offer

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That teams will involve the team in maximising the benefits of commercial activity	As above	

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do nothing	The present income figure has proved difficult to achieve and is resulting in year-on-year overspends making budgeting difficult and resulting in capacity being invested in pursuing potential low value income opportunities.	Head of Policy and Governance
Outsource the team / move to a regional approach	The importance of having effective communication co-located with the officer and political decision-making. MCCs low cost-to-serve means that regionalisation is unlikely to deliver cost savings	Head of Policy and Governance

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Future Legal Department	Lead/Responsible Officer:	Matt Phillips
Your Ref No:	PCEO003	Directorate:	Chief Executive's
Version No:	1	Section:	Legal
Date:	29 Nov 18		

Why is this pressure required?

MCC has evolved considerably over a number of years, and will continue to do so. We have arrived at a natural point at which the legal department needs to take a similarly progressive step to properly support the Council's Corporate Plan.

Part of my remit on being appointed was to quickly develop a good understanding of the current role and capability of the legal department, assess the delta between the current set up and what is required across MCC, and provide a solution. This work has been done over the last 3 months and will continue to take place. This work has identified a number of areas where there is an opportunity to be bold in the department's structure and development and build a position from which to not only support the Council's ambitions today, but the County's ambitions tomorrow.

Some of the key elements identified are:

- the legal department currently accounts for approximately just half of the legal spend across MCC. It should be possible to reduce the cost of seeking external representation, advice, opinion etc. As a first step, however, it is imperative that this wider spend be coordinated, quality assured and exploited; MCC must have the ability to learn and upskill and the legal department needs to be resourced to take this action;
- children services has experienced a year of unprecedented growth in demand (child protection cases rose 75% between Apr and Sep this year). Legal involvement is central to a considerable number of these cases and the department is over-capacity. If we are to retain our lawyers in a highly competitive market, and prevent the sizeable cost of putting cases to external providers then investment in software, systems and people is a fundamental requirement. If we can maintain a position whereby we deal with these matters in house the preventative saving is considerable;
- the legal department is not a silo. It works to protect and enable all other departments across MCC and so an overspend in Children Services for example, should also be viewed as an issue for legal. Therefore investment in the legal department should provide a foundation from which to start to work towards cost saving across the organisation writ large;
- the enabling strategies that underpin the Corporate Plan, notably the Asset Management Strategy and the Investment Plan therein, require appropriate legal input and there is much more we can do in this area.

The legal department needs investment to achieve the following steps:

1. First, it must stabilise to prevent unbudgeted costs, meet current demand and then expose where cost lies unnecessarily or where risk is present through the absence of quality legal support.
2. Second, it must seek to reduce those costs across MCC and get a grip on the whole organisation's legal spend, as well as coordinating that work and quality assuring it, then develop a richer corporate knowledge and skill base in order to deal with future requests for legal advice in house at reduced costs.
3. Third, once the above steps have been achieved, it can start to think ambitiously about revenue streams. Starting perhaps with local organisations such as Melin, MHA or BBNP that might be interested in seeking our services to reduce their private sector legal costs, we might then build a commercially minded approach capable of providing a service to other LAs or taking on other areas of work to generate income for MCC and save money for the tax-payer.

How much pressure is there and over what period?
19/20 £196,028

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/department	Date
Paul Matthews	Chief Exec	9 Oct
Paul Jordan	Cabinet Member Governance et al	17 Oct
SLT		9 Nov onwards
SLT/Cabinet		12 Nov onwards

Will any further consultation be needed?		
Name	Organisation/ department	Date

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
<p>The forecast pressure for next year is based on the costs of largely employee based changes, as well as some digital changes, minus the predicted savings from the implementation of these measures.</p> <p>The investment sought will enable the following:</p> <ul style="list-style-type: none"> - the implementation of a new case management system, including modern electronic bundling application, and access to a legal portal file sharing site already used by 8 LAs across South Wales. This change has already commenced, and the intention is that the implementation cost of £23,000 be met in year via capital funding (no repayment to capital has been factored in the above calculations). This will lead to a saving throughout life, but have a far greater positive impact in terms of time for all of the legal team making use of it, moving away from paper-based methods of work; - a new family law solicitor that will help manage the increasing demand and also provide space for the Deputy Head of Law to assume a better position of oversight and mentorship to develop the skills in the team beyond just CS work into the broader family space (eg. adult health care, mental health order etc); - a new business manager post that will help to implement this change and also provide a whole department service ranging from improving communication with internal and external stakeholders (Courts, Social Workers,

developers etc), managing training and development to broaden the skill set within the team and reduce reliance on external legal costs, and ultimately play a part in business and income generation;

- 2 new commercially focused lawyers. These will be lawyers with commercial experience (property, contract, planning, procurement etc) who will first, help meet the current demand that strategies such as the AMS are creating and that have gone unrecognised thus far, and second, get involved, as a commercial unit, with all commercial projects across MCC (eg ADM, Castlegate, med tech) to provide cradle to grave advice and, where external legal assistance is required, develop networks and refine the questions sufficiently to reduce cost and improve corporate knowledge. Ultimately, this should lay a foundation for a future move into greater income generation;

- as part of this evolution, salaries will need to be adjusted to match the current market reality and not only prevent current lawyers from leaving, but act to attract the right kind of talent in the future. A JE review of 5 lawyer posts will therefore be conducted and are factored into the pressures above.

Get this right, and the ability to take bolder, more beneficial steps such as taking on trainee lawyers to develop into multi-skilled local government lawyers in the future, or develop a practice within the department capable of dealing in employment law and reducing our costs but developing income streams from elsewhere would be realistic.

Expected positive impacts

Retention – demand is outstripping supply by some margin in some areas of Local Government law and we need to stay ahead of this disparity to avoid incurring far greater costs from going to private providers. This means paying market rates, but it also means implementing working practice and conditions that will mean people want to stay.

Recruitment – we need to focus on getting the right people, less on the skills and experience they bring. With the right people we can train and mentor them such that they develop skills and expose them to work to gain experience, but if we don't have the right people we will end up not changing or improving. This means getting less experienced but highly motivated people in, or going to private practice and in house lawyers to bring in new perspectives. If we take a lawyer from a neighbouring authority with 20 years' experience and ask them to turn up and simply carry on their work in a different location, we will get nowhere. So we need to pay and act in a way that attracts the right talent.

Resilience – the department is skeletal and over-capacity. The lack of appropriate systems for ensuring corporate knowledge is retained and shared means that to lose one lawyer currently means their work simply stops – there is neither the capacity nor skill to take on that work elsewhere. The new structure and manning will enable broadening training and exploitation of knowledge such that the loss of someone will simply mean someone else can pick up the work and access the information that will allow them to do so.

Service – we will reduce risk across the council by providing a product that is better which, in turn, will encourage hitherto unknown demand to emerge and either reduce the cost of externally sought advice and increase the skills within the department to deal with future queries. Engagement will come earlier thus identifying problems earlier and refining any questions to be sent externally to a network that will have been better vetted by our department.

The only sensible way to view money invested in the legal department is by looking at the returns across other departments, either in reducing risk or reducing cost, but always adding value. If we can reduce the £309,000 spent on counsel by CS in FY 17/18 or get our own team to take on the work in projects such as the alternative delivery model work then we will be having the right impact.

Expected negative impacts

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?								
Software proposal submitted by a likely tender company and future salary and on cost requirements of job evaluating some existing posts and the creation of some new roles.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Legal	513916	196028		196028				196028

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 proposal.

Action	Officer/ Service responsible	Timescale

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Improved service to MCC	Feedback via SLT				
Meeting demand in Children Services	No cases needing to be sent externally				
Increased job satisfaction	Retention rates				

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 risks.

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
Demand in Children Services	Strategic	>75% increase this year is unprecedented and we have no control over it	Med/Med	Improved method of working at no further cost than proposed here and a better method of working across budgets between legal and CS to surge on admin support as required
Brexit	Strategic	With a 'deal' Brexit likely to attract thousands of new statutory instruments, 'let alone the complexity of a no deal Brexit', there could be a considerable increase in demand for legal interpretation not factored into this plan	High/Med	Involvement in groups such as WLGA, Local Lawyers in Government and other subscription services should mitigate this element as collaborative advice and learning is undertaken.
Absence	Operational	It remains a small team in which it will still be hard to cover the long term absence of any member. Also, the proposals are very manpower heavy and so this factor would have a disproportionate impact.	Low/Med	Develop corporate knowledge through information management and broadening training as well as making use of more experienced members as mentors rather than simply workers.
Failure of other departments to engage	Operational	Currently, legal has no role in coordinating legal advice and some departments might be	Low/Low	Continuing to develop good cross-organisation relationships and showing the value of earlier legal engagement and

		reluctant to change their way of working if it risks them losing a degree of perceived control.		subsequent value added from training will reduce this possibility.
--	--	---	--	--

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
We will have suitable applicants for advertised roles	We will not seek to recruit via traditional LA avenues and are geographically and culturally situated to attract talent to MCC that other LAs would not be able to	

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do nothing	The department is not optimally configured to deliver what it is capable of and what is of most benefit to the Council and the County. To do nothing would cost MCC considerably more than the proposed pressure financially, as well as increasing risk unacceptably	
Be meek	Why bother? To tinker will neither solve the problems nor establish a foundation from which considerable gains could be made in the future. Trying to add a part time lawyer here, or take a greater saving elsewhere by seeking to remove someone at retirement age for example would not create the space and time needed to develop our people and build resilience.	
Bo bolder	We could. An employment lawyer could be added to the proposal, and even a trainee solicitor too (w/e Sep 19), but there has to be recognition of the fact that this proposed course of action is not just about getting bums on seats and pressing play. They will need mentoring and investment to fully realise the potential of this plan and so to spread me too thin in that role, or increase the burden on the 2 key mentor roles I am looking to enable within the department would result in a poor job. We can go bolder in 20/21.	

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Land Charges Income	Lead/Responsible Officer:	Tudor Baldwin
Your Ref No:	PCE004	Directorate:	Chief Executive's
Version No:	1	Section:	Land Charges
Date:	29 November 2018		

Why is this pressure required?

- 1) Income has steadily reduced from a highpoint of £149,635 in the 2013/14 financial year. See attached Land Charges Income Trends analysis spreadsheet.
- 2) The Land Charges income target has been unrealistically high for a number of years. See attached budgeted income and actual income year-by-year comparison, for the period 2010-2017.
- 3) Uncertainty caused by Brexit, resulting in a 10 year low in the number of properties on the market for sale: (https://www.bbc.co.uk/news/business-45757437?intlink_from_url=https://www.bbc.co.uk/news/topics/cdl8n2edgj5t/housing-market&link_location=live-reporting-story)
- 4) "Unfair" competition from private search providers, who can offer incentives to conveyancers to use their service, that are not available to the public sector.
- 5) Land Charge Con29 search fees must be set on a cost recovery basis, in accordance with the Local Authorities (Charges for Property Searches) (Wales) Regulations 2009 – see attached. Compliance restricts the ability of the Land Charges service to set search fees at a level to generate additional income.
- 6) In Wales the statutory LLC1 search fee is set at £4 and £6, which is below cost recovery and our private sector competitors are therefore subsidised by the Land Charges service. In contrast the setting of the LLC1 fee in England is devolved to local authorities. The Welsh Government has failed to address this anomaly.

How much pressure is there and over what period?

An ongoing £30,000 pressure is realistic and agreed with the service's accountant.

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

Name	Organisation/department	Date
Matthew Phillips	Head of Law - MCC	October/November 2018
Dave Loder	Finance Manager - MCC	October/November 2018
Sarah Pugh	Accountant – MCC	October/November 2018

Will any further consultation be needed?

Name	Organisation/ department	Date

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
More realistic budgeting reflecting statutory limitations on discretion applicable to charging and housing market situation.
Expected positive impacts
Clarity across both Legal and Land Charges in balancing budgets.
Expected negative impacts

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?								
See attachments and link below:								
https://www.bbc.co.uk/news/business-45757437?intlink_from_url=https://www.bbc.co.uk/news/topics/cdl8n2edgj5t/housing-market&link_location=live-reporting-story								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Land Charges		30,000		30,000				30,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Continuing to promote the MCC service as the quality option	Tudor Baldwin	

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Not applicable		

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Continue to maintain a quality service	Ongoing reporting of searches returned within 5 working days	>90%	>90%	>90%	>90%

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 risks.

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

Brexit	Strategic	Uncertainty has significantly reduced the number of property transactions.	High/Med	
Competition	Strategic	Numerous competitors offering incentives to conveyancers to use their service.	Med/Med	Promote the Land Charges service's quality of search reports and 5 working days turnaround. Statutory local authority services offer the reassurance of ongoing service provision and accountability.
Regulation	Strategic	Statutory and cost recovery search fees limit income opportunities.	High/Med	

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Income will either flat line or slowly decline in the short/mid term	Last 4 years' experience combined with uncertainty over Brexit, competition, and regulations setting statutory and cost recovery search fees.	

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do nothing	Ongoing income pressure will not be resolved.	
Reduce staff	Staffing (1.6 FTE) is already at the minimum required to cover short term absences and should be increased to three trained members of staff, to cover the Land Charges and Common Land services. This option would not address the ongoing income pressure.	

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	CORPLORD Estates CCL Increases (Elec,Gas,etc)	Lead/Responsible Officer:	Debra Hill-Howells
Your Ref No:	PRES001	Directorate:	Resources
Version No:	1	Section:	Landlord Services
Date:	29.11.18		

Why is this pressure required?

We have been advised by market advisors and the CCS that energy costs are set to rise by up to 30% in the next financial year. Our energy costs are in the region of £1,900,000 pa, so any uplift will create an unfunded revenue pressure.

How much pressure is there and over what period?

Energy costs rise annually, we are currently securing our energy through CCS, but we are also exploring additional options including direct procurement

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

Name	Organisation/department	Date
Mark Howcroft, Peter Davies, Stacey Jones, Dave Loder, Nicola Wellington	Finance	26 th October 2018

Will any further consultation be needed?

Name	Organisation/ department	Date

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

The pressure has arisen as a result of increasing energy costs, if we do not increase the available revenue budget then the increased costs will need to be met from existing budgets which will have a negative impact on services.

Expected positive impacts

If the pressure is funded there will be a neutral impact to service providers and users

Expected negative impacts

If the pressure is not funded there will be additional costs to services that will reduce their available resources for service provision

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?

The pressure has been identified through conversations with Crown Commercial Services who have identified a significant uplift in costs for wholesale gas and electricity. They are now acquiring next year's supplies and will continue to do so until April next year as the market fluctuates on a daily basis – conservative estimates are that there will be a 30% uplift in the fuel costs for CCS customers

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
All	Total £1,900,000	57,000		57,000	tbd	tbd	tbd	57,000

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 proposal.

Action	Officer/ Service responsible	Timescale
We are investing in energy efficiency through the Re-Fit scheme that will be rolled out in the next financial year	Debra Hill-Howells/ Landlord Services	19/20
Alternative procurement options are being investigated	Ian Hoccom/ Mark Howcroft	18/19

--	--	--

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
Within the energy team	Landlord Services restructure	

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	The energy costs of MCC are met within the allocated budget	100%			

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 risks.

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
Potential that energy costs will rise higher than planned due to Brexit etc	Strategic	Uncertainty in wholesale market	Medium	Continue to monitor market and identify opportunities to reduce energy consumption
Increased demand for energy	operational	Services have direct control over the management of	Medium	Re-fit and identifying areas of concern to provide support. Effective monitoring of bills and

		buildings and best practices not always adhered to		consumption to identify variances in demand as could be problems with the supply as well as working practices

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
The CCS forecasts are correct	Current procurement framework provider and provider of wholesale evidence	

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Do nothing	Not an option as we are not in control of the energy supply costs, therefore if we do nothing the increased costs will be pushed back to service areas which will have a negative impact on services	Debra Hill-Howells
Mitigate consumption	Already being progressed as a saving through the Re-Fit scheme	Debra Hill-Howells

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Financial support to SRS transferring to TCBC	Lead/Responsible Officer:	Joy Robson
Your Ref No:	PRES002	Directorate:	Resources
Version No:	1	Section:	Finance
Date:	30/11/28		

Why is this pressure required?

Following a process of asking for expressions of interest TCBC will have the contract to provide support services to the SRS from the 1st April 2019, which had previously been provided by MCC. This has resulted in a reduction in income for the service and whilst the costs of the service have also been reduced there is a residual negative impact

How much pressure is there and over what period?

Lost income of £24k

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

Name	Organisation/department	Date
All finance sections	Resources	26/11/18

Will any further consultation be needed?

Name	Organisation/ department	Date

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

This pressure arises from the net impact of losing support service work for the SRS to TCBC

Expected positive impacts

Reduced pressure on MCC staff

Expected negative impacts

Net loss in income for the service

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?

Income budget from the SRS is identified in several finance team budgets, debtors, creditors, financial system support, management

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Exchequer		18,000		18,000				18,000
Management core		6,000		6,000				6,000
				24,000				24,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Cost will be minimised	Ruth Donovan	

4. Additional skills/ business needs

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

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

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
N/A					

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 risks.

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
Services will transfer to TCBC, so may be delays whilst this is sorted	Operational	Possibility in any transfer of services	Medium	Plan carefully with TCBC to ensure appropriate staff are engaged with the handover

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That there will be no change to the decision to transfer	Work already commenced with TCBC	Ruth Donovan

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
Expression of interest in the ongoing support services could have been made by MCC	It was not considered operationally efficient to seek to supply all support services to SRS	

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	Procurement	Lead/Responsible Officer:	Peter Davies
Your Ref No:	PRES003	Directorate:	Resources
Version No:	1	Section:	Procurement
Date:	29.11.18		

Why is this pressure required?

Reversal of mandated budget savings incorporated within 18/19 budget for procurement related savings across the authority. The savings cannot currently be identified and delivered with any certainty at this stage.

How much pressure is there and over what period?

£150,000 for 19/20 and recurring

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

Name	Organisation/department	Date
Scott James	MCC – Corporate Procurement	Nov 2018
SLT/Cabinet	-	Sept-Nov 2018

Will any further consultation be needed?

Name	Organisation/ department	Date
Corporate Finance	MCC	Jan 2018

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?

Unless the pressure is removed the Council will be carrying an ongoing and recurrent budget pressure. The pressure has been identified and reported through the Council's in-year revenue budget monitoring. However, a proposal for further investment is being made to Cabinet in January 2019 such as to allow the next phase of the revised procurement strategy to be delivered and for savings opportunities to be identified.

Expected positive impacts
Removal of recurrent pressure.
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?								
The amount relates to the aspect of the wider procurement savings identified as part of the 2018/19 budget that cannot be delivered.								
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
Gateway Review		150,000		£150,000				£150,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Future action is being taken to secure agreement from Cabinet for one-off reserve funding to enable the next phase of delivery of the revised procurement strategy and that would allow further procurement savings to be identified and realised. This would then feature in further savings being brought forward into future budget proposals.	Peter Davies Chief Officer, Resources	March 2019

4. Additional skills/ business needs

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

Any additional capability required	Where will this come from	Any other resource/ business need (non-financial)
As stated above a proposal will be brought to Cabinet in January 2019 and which will make the case for additional investment. This investment will in part be directed towards bringing in third party expertise to work alongside the existing procurement team to identify areas to strengthen and opportunities for savings to exploit.	Third party expertise	None

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23

No comment needed above for aforementioned reasons. Measurement of performance will not come from this pressure being accommodated but from the measurement of performance against any future investment made to identify and deliver further procurement savings.

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 risks.

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
None				

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
That the pressure will not reduce as a result of further procurement savings being identified	In-year work undertaken has not identified any further immediate savings that could be delivered at this stage.	Scott James Strategic Procurement Manager

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
To invest in further expertise and capacity to identify and deliver further procurement savings	A separate investment proposal is being prepared for Cabinet in January 2019	Peter Davies Chief Officer, Resources

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact.

Pressure Title:	TLCY-MonLife - Budget strip pressure on Support Services if MonLife goes ahead.	Lead/Responsible Officer:	Peter Davies
Your Ref No:	PRES004	Directorate:	Enterprise
Version No:	1	Section:	ADM
Date:	29.11.18		

Why is this pressure required?

In the event that MonLife (an alternative delivery model for the provision of Tourism, Leisure, Culture and Youth (TLC&Y) services) is established in 19/20, relevant budgets and posts will be transferred in order for the new organisation to deliver services. In some cases the budget is transferred without a corresponding transfer of staff (TUPE) or with the new organisation entering into an SLA to buy back the service from the Council, thereby leaving the Council with a residual financial impact.

The net impact to the Council is currently calculated as £111,000 and will be subject to final negotiations between the Council and MonLife over the next few months.

How much pressure is there and over what period?

The anticipated pressure is as follows :

Service	Impact on MCC	Potential TUPE Transfer	Net Impact on MCC
B051 Property Accommodation Recharge (Indirect)	16,361		16,361
G001 Complaints (Indirect)	4,080		4,080
G012 Personnel (Indirect)	49,229	42,612	6,617
G013 Corporate Training (Indirect)	24,056		24,056
G085 Central Finance (Indirect)	72,897	38,006	34,891
G118 Occupational Health (Indirect)	2,948		2,948
G120 Procurement (Indirect)	2,965		2,965
G121 Improvement (indirect)	13,465		13,465
G124 Equalities and Welsh Language	5,617		5,617
GRAND TOTAL	191,618	80,618	111,000

A further pressure is estimated in 2020/21 of £5,000 and in 2021/22 of £6k.

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

Name	Organisation/department	Date
Corporate Finance	MCC	Nov 2018
Senior Leadership Team and Cabinet	MCC	Nov 2018
MonLife Team	MCC	Nov 2018

Will any further consultation be needed?		
Name	Organisation/ department	Date
Cabinet	MCC Elected Members	Jan 2019
Scrutiny Committees	MCC Elected Members	Jan 2019
MonLife Shadow Board	MonLife	Jan 2019

1. Vision and Outcomes of the Pressure Proposal

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 affect 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 proposal must be tested against the Future Generations Evaluation and consider the impact in relation to the new Future Generations Bill.

What are the outcomes of investing in the identified pressure?
In the event that TLC&Y services are transferred to MonLife in 19/20, MCC will be able to manage the resulting financial pressure within their Medium Term Financial Plan (MTFP)
Expected positive impacts
MCC services, and support services in particular, will remain affordable and sustainable
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?
<p>The pressure had initially been calculated as being £143,000 for 2019/20 with further implications to the Council if subsequent to transfer and in future years MonLife wished to source those services elsewhere and not with the Council. If this did happen, then further financial consequences had originally been modelled as a further £71k at the end of year 3 and £109k by year 5.</p> <p>Work remains ongoing to manage and eliminate these pressures through future rationalisation and restructuring of back office and central support services and through negotiation of the services to be provided to MonLife and the underlying costs and charges concerned.</p> <p>The pressure has currently been mitigated down to £111,000 for 2019/20 with a subsequent impacts of £5,000 and £6,000 for the two subsequent financial years respectively.</p>

The costs have been based on assessments of the officer time and cost of support services being provided to MonLife.

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year				Total pressure proposed
				19/20	20/21	21/22	22/23	
See list of services above	3,208,846	122,000	-	£111,000	£5,000	£6,000		£122,000

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 proposal.

Action	Officer/ Service responsible	Timescale
Increased commercialisation of services resulting in additional external income generation	Various support service managers	31 st March 2019 and ongoing
Increased prioritisation of key services	As above	As above
Continued innovation in service delivery to facilitate further cost reduction	As above	As above
Potential managed reduction in support services to reflect the reduced level of demand	As above	As above

4. Additional skills/ business needs

Describe any additional skills, resource and capability needed in order to carry out the proposed 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 – all skills and resource available and is deployed		

5. Measuring performance on the proposal

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 proposal where appropriate.

Focus - Budget/Process/Staff/Customer	Indicator	Target 2019/20	Target 2020/21	Target 2021/22	Target 2022/23
Budget	Revenue budget monitoring process	£111,000	£5,000	£6,000	

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 risks.

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
That MonLife draw different conclusions on which services they wish to receive from the Council in year 1 upon transfer or subsequently	Strategic and operational considerations	Upon transfer and cessation of the initial agreed term of SLAs with the Council MonLife has the ability to procure support services from elsewhere. The current estimates have been based on the current intentions.	Medium	Negotiating and taking necessary mitigating actions ahead of transfer as described above. Upon transfer to ensure that high quality of support services were provided and at a competitive market rate to lessen the risk of MonLife ending the SLA arrangements and placing a potential further residual cost on the Council.

7. Assumptions

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

Assumption	Reason why assumption being made (evidence)	Decision Maker
------------	---	----------------

<p>Support service recharges and costs have been determined as being a reasonable apportionment of the cost of delivering support services to TLCY services.</p>	<p>The cost apportionments form the basis upon which SLA and charges are being negotiated. A residual impact to the Council is based on these same apportionments of cost as it leads to a budgetary transfer across to MonLife to deliver such services itself and not through the Council.</p>	<p>Rob O'Dwyer Head of Transformation</p> <p>Peter Davies Chief Officer, Resources</p>

8. Options

Prior to the pressure proposal being prepared, an options appraisal will have taken place. Summarise here the outcome of the Options considered and detail the rationale on why they were disregarded.

Options	Reason why Option was not progressed	Decision Maker
<p>Further staff transfer (TUPE) implementation</p>	<p>Remaining Council resources would not be sufficient to maintain resilience and robustness and continue to provide fit for purpose support services.</p>	<p>Rob O'Dwyer Head of Transformation</p> <p>Peter Davies Chief Officer, Resources</p>

9. Monitoring the pressure proposal

The pressure proposal will 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 proposal, including the performance being achieved and the level of impact

Pressure Title:	Living Wage	Lead/Responsible Officer:	Jon Davies
Your Ref No:	PCORP001	Directorate:	Resources
Version No:	1	Section:	Accountancy
Date:	29/11/18		

Why is this pressure/efficiency required?

This is the extra residual pressure afforded in last years budget setting anticipated as a consequences of uplifting wages to accommodate living wage aspirations. The pressure has reduced by £20k on previous years figures as the budget uplifts is disaggregated to individual Directorates.

Pressure/Efficiency Proposal

Please provide reference to the pressure/efficiency proposal submitted in previous years or reference to a Business Plan approved or undergoing consideration by SLT

Corporate Costs & Levies	One-off/ Recurrent	2018/19 £000	2019/20 £000
CORP Living Wage Foundation increase		142	29

Wellbeing Assessment

Please provide reference to the previously submitted Wellbeing Assessment completed for the pressure/efficiency proposal

Anticipated Cost of Pressure/Efficiency

Ref	Pressure/Efficiency	Target year				Total pressure/efficiency proposed
		19/20	20/21	21/22	22/23	
	Residual Living Wage increase	9k				

Monitoring the pressure/efficiency proposal

The pressure/efficiency proposal will 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 business plans for the business area in order to monitor and challenge the delivery of the pressure proposal, including the performance being achieved and the level of impact.

Pressure Mandate Proposal Number: PCORP001, PCORP004

Pressure Mandate Title : Living wage and spinal point harmonisation

Mandate Completed by	<i>Jonathan Davies</i>
Date	<i>29/11/2018</i>

Why is this pressure required?

The financial impact of implementing the new NJC pay spine in April 2019

The NJC Pay Deal of December 2017 provided for implementation in two phases, in April 2018 and April 2019. The 2018 phase involved only percentage increases to each of the 28 SCPs within the current NJC grading pay structure and was implemented by the Council with effect from 1 April 2018.

The second phase of the pay deal involves not only a percentage increase for all pay points it also introduces a new pay spine.

How much pressure is there and over what period?

£823k – 2019/20

Directorate & Service Area responsible

Corporate

Mandate lead(s)

Jonathan Davies

Tracey Harry

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

Name	Organisation/ department	Date
SLT report		18/09/2018

Has the specific budget pressure been consulted on?

Function	Date	Details of any changes made?
Department Management Team		
Other Service Contributing to / impacted		
Senior leadership team	18/09/2018	
Select Committee		
Public or other stakeholders		
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date

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?
The council is signed up to NJC terms and conditions of employment and therefore must implement the new pay spine in April 2019
Expected positive impacts

Expected negative impacts

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?							
See attached papers							
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed
				19/20			
Strategic Initiatives	£0	£823,000					£823,000

3. Actions to 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

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)

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 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19

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

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

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

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: PCORP002, PCORP005
 Pressure Mandate Title : Insurance

Mandate Completed by	<i>Jonathan Davies</i>
Date	<i>29/11/2018</i>

Why is this pressure required?
Insurance premium has increased due to claims history and underlying conditions in the insurance market (£50k) Amount of Insurance costs relating to services provided by the ADM will be partially met by MCC as recharge insufficient (£15k)
How much pressure is there and over what period?
£65k – 2019/20
Directorate & Service Area responsible
Corporate
Mandate lead(s)
Jonathan Davies

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/ department	Date

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team		
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

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?
The Authority will have appropriate insurance cover
Expected positive impacts
Expected negative impacts

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?

Result of annual retender exercise – cost already incurred for first 6 months of 2019/20

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed
				19/20			
Insurance	£1,332,899	£65,000					£65,000

3. Actions to 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
Tender already completed – no action possible (£50k)		
Decision could be made to passport £15k charge to ADM		

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)

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 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19
	Performance of insurers will be monitored						

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

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

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

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: PCORP003
 Pressure Mandate Title : Coroners Service

Mandate Completed by	<i>Jonathan Davies</i>
Date	<i>29/11/2018</i>

Why is this pressure required?
Notification received from the Coroners service that the levy required for 2019/20 is higher than that already in the MTFP
How much pressure is there and over what period?
£17k – 2019/20
Directorate & Service Area responsible
Corporate
Mandate lead(s)
Jonathan Davies

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/ department	Date

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team		
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

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?
The Authority will meet its statutory obligations
Expected positive impacts
Expected negative impacts

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?

Notification of the levy proposed from the Coroner service

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed
				19/20			
Precepts & Levies	£100,053	£17,000					£17,000

3. Actions to 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

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)

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 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19

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

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker

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

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: PAPP001, PAPP002
Pressure Mandate Title : MRP

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>Lesley Russell</i>
Date	<i>29/11/2018</i>

Why is this pressure required?

The Council has to set aside a reasonable provision annually to repay debt, based upon the capital financing requirement, and either 2% based on supported borrowing or over the asset life of particular assets where the borrowing is prudential or unsupported by central government funding. This provision is known as minimum revenue provision (MRP)

Budgeted borrowing for Capital purposes up to 31st march 2019 not funded from a Service, has increased the capital financing requirement above previously budgeted levels and consequently MRP payable in 2019/20 will increase. Minimum revenue provision is payable starting in the year after the asset on which the borrowing has been incurred becomes operational. The Council still derives a net benefit from changing the Minimum revenue provision calculation back in 2015-16. However in 2019-20, the effect of 3 subsequent years borrowing activity supporting capital programme and 3 large value assets having come on stream in 2018-19 necessitates an ongoing annual MRP charge i.e. Monmouth and Caldicot secondary schools and Monmouth Leisure Centre, more than offsets that saving.

How much pressure is there and over what period?

2019/20	£163k
2020/21	£320k; (additional £157k)
2021/22	£215k, (reduction of £105k)
2022/23	£329k; (additional £114k)

Additionally as a consequence of the shortfall in Waste service funding affording the full extent of financing costs of its new fleet, £95k costs have been added to corporate MRP and interest payable budget, split £88k MRP and £7k interest.

Resources / Finance
Mandate lead(s)
Mark Howcroft

Have you undertaken any initial consultation on the need for this pressure to be included in the MTFP?		
Name	Organisation/ department	Date
Yes – Lesley Russell / Mark Howcroft	Finance	October 2018

Has the specific budget pressure been consulted on?		
Function	Date	Details of any changes made?
Department Management Team		
Other Service Contributing to / impacted		Initially Waste services report to Members explained the vehicle replacement would be self-financing from within the service. Subsequent analysis of revised Waste budget suggests a £95k hole to their funding, hence a need to add that element to financing budget.
Senior leadership team		
Select Committee		
Public or other stakeholders		Waste element been to full Council, additional budgeted borrowing requirement on school shared and endorsed by full Council
Cabinet (sign off to proceed)		

Will any further consultation be needed?		
Name	Organisation/ department	Date
No		

Final pressure approved by Cabinet	Date: 19th December 2018
---	--

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?

Unavoidable consequence of decisions already considered and approved by Members e.g. Future schools additional budget causing temporary borrowing not afforded by CYP directorate. Anticipation of shortfall in financing of replacement waste fleet

Expected positive impacts

Sufficient borrowing can be acquired to ensure the Authority has enough cash to operate.

Expected negative impacts

If the extra costs of financing are not addressed by budget uplift, the costs will still be incurred, and instead would be an adverse volatility during budget monitoring. To afford prudential borrowing decisions, services are required to introduce sufficient revenue headroom to repay debt in addition to any savings to balance the Council budget

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?

Existing MTFP Interest Budgets

		New	Difference
2019/20	£4,324,508	£4,487,832	£163k
2020/21	£4,324,508	£4,645,482	£320k
2021/22	£4,324,508	£4,540,239	£215k
2022/23	£4,324,508	£4,654,033	£329k

MTFP MRP Calculation

Year ending :-	2020	2021	2022	2023
Supported	1,618,809	1,667,009	1,715,209	1,763,409
Unsupported (incl PFI)	3,138,635	3,333,799	3,448,527	3,444,700
Traditional MRP	4,757,444	5,000,808	5,163,736	5,208,108
Additions				
Extension of asset life and reduced residual value prompts a charge in 2019-20 not originally anticipated	86,056			
Budget passed back to services on expiry of funding	73,940	177,643	13,017	90,500
Reductions				
Virement from Leisure to fund Mon pool 1/3 in each of 1920, 2021, 2122	-95,667	-191,333	-287,000	-287,000

(combined mrp & interest)				
Virement from Property Inv portfolio to fund investments	-322,380	-329,936	-	-345,593
			337,672	
Virement from service to cover 1718 vehicles effectively from borrowing	-11,562	-11,700	-11,840	-11,982
Total Budget Required in MTFP excl 21C schools Band B	4,487,832	4,645,482	4,540,239	4,654,033
CFR 31st March	CFR 31/3/19			CFR 31/3/18
(doesn't reflect mrp on new schemes)	77,847,259	Supported		77,007,868
	92,968,100	Unsuppor ted		68,358,656
	46,183	Finance lease		46,816
	693,078	PFI		724,586
From this workbook	171,554,621			146,137,926

Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed
				19/20	20/21	21/22	
Finance	4,324,508	163,000		163,000	157,000	-105,000	215,000
Waste vehicle replacement residual interest pressure £4.2m	Afforded over 8 years £567k pa (split between debt repayment and interest)	Shortfall £95k (split £88k debt repayment, £7k interest pa)		88,000			88,000

	Waste service can only afford £472k						

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
Dependant on Service requirements & Ratio of Long and Short term Debt agreed with Senior Management and availability of other funding sources.	Treasury team and Audit Com	February Audit Cttee report endorsed to Council
Internal borrowing maximisation to reduce treasury costs	Various, service financial monitoring, corporate income facilities, slippage consideration	12 months
Being alive to preferential minor rate changes on day to day, when taking out borrowing	Treasury team	6 months from April 19

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)
Existing		

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 2016/17	Actual 2017/18	Actual 2018/19	Target 2016/17	Target 2017/18	Target 2018/19
Treasury Team	Month 2/7 monitoring in 19/20						

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
Ensuring budget virements from services are carried out.	Operational	Need to meet forecast	Low risk	Periodic budget monitoring reconciliations will indicate if virement carried out
Capital Expenditure might be deferred from 18/19 forecast		Could reduce additional budget needed – but outside control – not desirable to delay projects		

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
New Asset lives	Determines spread of MRP	Treasury/service manager

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
Members already considered the value of adding £11m to Tranche A Future Schools programme	Members liked the design aspects associated with uplift, and recognised the time involved to retender the Future schools replacement projects likely to detract from opening timelines	Full Council 20 th October 2016
Existing waste vehicle fleet coming to end of its useful life, and required replacement allows the refuse collection services to be provided consistent with proposals/approach agreed by Members	Members agreed the service changes involved in providing an alternate recycling service.	Cabinet 2nd March 2016, Council 7 th March 2017

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: PAPP003

Pressure Mandate Title : Interest Payable on forecast Borrowing Levels

Mandate Completed by	<i>Lesley Russell</i>
Date	<i>29/11/2018</i>

Why is this pressure required?

As part of the annual budget process, anticipated borrowing costs are reviewed based on the proportion of fixed and variable rate loans, the degree of receipts used to formally repay debt, the level of receipts and cash available informally to promote internal borrowing, anticipated interest rates analysis, and the level of temporary borrowing informed by past years capital programme activity. This proforma considers the level of interest that will result from forecast borrowing levels

Forecast for Actual borrowing from 1st April 2019 to 31st March 2020, not funded by a service has increased above previously budgeted levels primarily as a consequence of Future Schools expenditure levels being forecast above budget, and the level of temporary borrowing taken out corporately to finance enhancement to schools schemes not afforded by CYP directorate consequential to members decision to supplement original budgets by circa £11m, and the need to borrow to maintain an investment balance of £10m per annum as per Markets in Financial Instruments Directive (MiFID II) – cross referenced to savings proforma APP01 – interest receivable.

How much pressure is there and over what period?

2019/20 £74k
 2020/21 £86k, so additional increase £12k
 2021/22 £155k, so additional increase £69k
 2022/23 £152k, so reduction of £3k

Additionally as a consequence of the shortfall in Waste service funding affording the full extent of financing costs of its new fleet, £95k costs have been added to corporate MRP and interest payable budget, split £88k MRP and £7k interest.

Directorate & Service Area responsible

Resources / Finance

Mandate lead(s)

Mark Howcroft

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

Name	Organisation/ department	Date
Yes – Lesley Russell / Mark Howcroft	Finance	October 2018

Has the specific budget pressure been consulted on?

Function	Date	Details of any changes made?
Department Management Team		
Other Service Contributing to / impacted	Nov 18	Initially Waste services report to Members explained the vehicle replacement would be self-financing from within the service. Subsequent analysis of revised Waste budget suggests a £95k hole to their funding, hence a need to add that element to financing budget.
Senior leadership team	No	
Select Committee	No	
Public or other stakeholders	No	
Cabinet (sign off to proceed)	No	Both primary increases have been subject to Cabinet and Council report

Will any further consultation be needed?

Name	Organisation/ department	Date
No		

Final pressure approved by Cabinet

Date: 19th December 18

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?

Unavoidable consequence of decisions already considered and approved by Members e.g. Future schools additional budget causing temporary borrowing not afforded by CYP directorate. Anticipation of shortfall in financing of replacement waste fleet

Expected positive impacts

Sufficient borrowing can be acquired to ensure the Authority has enough cash to operate.

Expected negative impacts

If the extra costs of financing are not addressed by budget uplift, the costs will still be incurred, and instead would be an adverse volatility during budget monitoring.

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?

Existing MTFP Interest Budgets

		New	Difference
2019/20	£3,307,893	£3,382,175	£74k
2020/21	£3,307,893	£3,394,094	£86k
2021/22	£3,307,893	£3,463,199	£155k
2022/23	£3,307,893	£3,459,836	£152k

1819 MTFP Debt interest payments and income

 17/1
8

<u>Outputs</u>	Bud get	18/19	19/20	20/21	21/22	22/23
Interest on existing PWLB Fixed rate loans incl £3m new 18/19		2,110,1 28	1,925,1 96	1,868,6 86	1,751,62 1	1,627,55 8
Interest on existing PWLB Variable rate loans		134,275	170,127	43,686	0	0
Interest on market loans		652,700	652,700	652,700	652,700	652,700
Interest on other LT loans		66,050	66,050	30,447	23	0
		2,963,1 53	2,814,0 73	2,595,5 19	2,404,34 4	2,280,25 8
Interest on new LT PWLB debt (25/8y annuity) for Investment Properties		110,745	204,770	197,214	189,478	181,557
Interest on new LT PWLB debt (30y annuity) for City deal		0	4,219	12,676	23,591	30,267
					1,035,26	1,149,31
Interest on short term loans		534,859	563,883	785,898	4	1
Including - Interest on replacement loans		30	32,257	146,559	381,668	444,452
Less Contribution from Property Investment area to fund Treasury costs of Castlegate		- 110,745	- 204,770	- 197,214	- -189,478	- -181,557
Treasury costs of later schemes will be funded by virements so not included		0	0	0	0	0

Total debt interest payable budget needed				3,498,013	3,382,175	3,394,094	3,463,199	3,459,836
Service area	Current Budget £	Proposed Cash Pressure £	Proposed non cash efficiencies – non £	Target year			Total pressure proposed	
				19/20	20/21	21/22		
Treasury	3,307,893	74,000	0	74,000	12,000	69,000	155,000	
Waste vehicle replacement residual interest pressure £4.2m	Afforded over 8 years £567k pa (split between debt repayment and interest) Waste service can only afford £472k	Shortfall £95k (split £88k debt repayment, £7k interest pa)		7,000			7,000	

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
Dependant on Service requirements & Ratio of Long and Short term Debt agreed with Senior Management and availability of other funding sources.	Treasury team and Audit Com	February Audit Cttee report endorsed to Council
Internal borrowing maximisation to reduce treasury costs	Various, service financial monitoring, corporate income facilities, slippage consideration	12 months
Being alive to preferential minor rate changes on day to day, when taking out borrowing	Treasury team	6 months from April 19

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		

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 201/17	Actual 2017/18	Actual 2018/19	Target 2019/20	Target 2020/21	Target 2021/22
Treasury Team	Month 2/7 monitoring in 19/20				<567k	<567k	<567k

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	Mitigating Actions

			probability & impact	
Ensuring budget virements from services are carried out.	Operational	Need to meet forecast	Low risk	Periodic budget monitoring reconciliations will indicate if virement carried out
Capital Expenditure might go above budget.		Could increase borrowing needed.	Low	

7. Assumptions

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

Assumption	Reason why assumption is being made (evidence)	Decision Maker
Interest rate forecast	Interest rate assumptions drive debt interest costs and are on the rise	Treasury/service manager
Taking a greater proportion of fixed rate debt to reduce exposure to variable rate risk	On the basis of Treasury advisors advice in respect of Brexit, to maintain a balanced portfolio of debt not excessively utilising variable or fixed rate debt	Asst Head of Finance
Cash flow forecasting	To anticipate net receipts incidence facilitating internal borrowing	Treasury team

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
Members already considered the value of adding £11m to Tranche	Members liked the design aspects associated with uplift, and recognised the time involved to retender the Future	Full Council 20 th October 2016

A Future Schools programme	schools replacement projects likely to detract from opening timelines	
Existing waste vehicle fleet coming to end of its useful life, and required replacement allows the refuse collection services to be provided consistent with proposals/approach agreed by Members	Members agreed the service changes involved in providing an alternate recycling service.	Cabinet 2nd March 2016, Council 7 th March 2017

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.

This page is intentionally left blank