

## **Appendix 2 - Evaluating the Potential Impact of the 2026-27 Budget**

### **Introduction**

This report outlines the results of the impact assessment undertaken alongside the budget proposals for the financial year 2026-27. The assessment has two aims:

- to help assess the overall potential impact of the budget on different groups of people within our communities and,
- to identify actions that mitigate against or reduce the potential negative effects of our proposals on vulnerable people and households on the lowest incomes.

The council has demonstrated robust financial management in recent years in the face of significant financial challenges and budget pressures. In response to these, we are adopting a strategic, evidence-led approach focused on long-term reform, taking a preventative approach, improved financial resilience, and service change, particularly in high-expenditure areas such as Social Care & Health and Children, Learning, Skills & Economy.

The council continues to face ongoing financial challenges as we develop our budget for 2026/27 including low reserves, limited efficiency options, and rising demand. The platform provided by the long-term approach we have taken is supporting us to address these. The proposals we have developed are aligned with the commitments in our Community & Corporate Plan and guided by the budget principles within our Medium-Term Financial Plan.

Our approach considers the whole budget, not just areas that aid in closing the budget gap. This ensures our budget is sustainable and targeted towards delivering better outcomes for residents, including prioritising those who are near to needing statutory support as part of our whole authority approach to wellbeing and prevention. Key frontline services will benefit from increased funding in 2026/27 with Social Care & Health budgets increasing by 5.6% and Education by 4.7%. To partly fund increased investment in key services we are intending to change the way some things operate and increase our income. The draft budget includes proposals for service savings and efficiencies. We know our residents will rightly expect us to contain our costs wherever possible and to ensure we are operating as efficiently and effectively as we can.

In developing our budget proposals we have had to take some difficult decisions. These will affect residents in different ways. We recognise, for example, that changes in social care could be felt more acutely by older people and disabled people. Increased charges for services, such as car parking, will be more of an issue for those on lower incomes. This does not just mean those who are unemployed. People who experience in-work poverty, disabled people or those with protected characteristics may also be affected.

We recognise that there is a correlation between some protected characteristics and an increased risk of poverty. Intersectionality plays a large role; the more protected characteristics a person has, the more likely they are to experience financial hardship.

The development of this impact assessment has been an iterative process. It is produced alongside and in tandem with the budget proposals. This means that we have been able to understand the potential impacts and adjust our thinking accordingly based on the potential impacts on different groups. As a result, we have been able to amend some proposals or introduce mitigating actions to lessen the impact of some of the difficult decisions we are faced with, on the most vulnerable in our communities.

We assessed the impact of our proposals through:

- Part 1 - An overall Integrated Impact Assessment which summarises the effects of all budget proposals which could alter a service or the way that service is delivered. This assesses the potential impact on the national well-being goals and the ways of working enshrined in the Well-being of Future Generations Act and the people and groups who possess the protected characteristics specified under the Equality Act 2010.
- Part 2 - A review of the potential cumulative financial impact on households with different income levels. This helps us particularly understand the potential impact on those experiencing socio-economic disadvantage, in line with the socio-economic duty in Wales.

Many of the proposals have been assessed in impact assessments completed by each of our directorates. These have been developed and considered by Cabinet as proposals have evolved. Ongoing feedback has been used to refine the options being put forward for public consultation. We recognise that people are the experts in their own lives and this consultation could result in additional issues being identified which will further enhance the impact assessment.

Open and robust scrutiny and challenge is an essential part of the budget setting process. The assessment will be updated following the consultation undertaken in January and February 2026.

You can read more about the legal basis for this work and the underpinning methodology in the appendices.

## **Part 1: Overall Integrated Impact Assessment**

This provides an overview of the impact, both positive and negative, of the budget proposals and the mitigating actions we have identified to reduce the effects on vulnerable groups and those with protected characteristics. These mitigations were developed in line with the principles guiding the budget setting process.

The assessment identifies areas where there is a risk that changes resulting from budget proposals may have a significantly greater impact on particular groups when looked at together with other proposals. By doing this, we can identify where we may need to mitigate against negative impacts on certain groups of people. Mitigating actions could include re-shaping services to target them more efficiently at certain groups or communities to reduce the potential of disproportionate impacts on groups with protected characteristics as defined by the Equality Act 2010.

This is the same tool that accompanies specific directorate budget proposals. It does not highlight every single issue but reveals some of the key impacts of budget proposals and provides scope for continual learning and improvement as proposals are developed. Further details of the assessed impacts of proposals are provided in the full budget papers.



**monmouthshire  
sir fynwy**

## **Integrated Impact Assessment document**

**(Incorporating Equalities, Future Generations, Welsh Language and Socio-Economic Duty)**

<b>Name of the Officer:</b> Richard Jones  <b>Phone no:</b> 01633 740733 <b>E-mail:</b> richardjones@monmouthshire.gov.uk	<b>Please give a brief description of the aims of the proposal:</b> To deliver a balanced budget while continuing to make progress against the council's longer term aims.
<b>Name of Service area:</b> Chief Executive's	<b>Date:</b>

**1. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.**

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	<p>Local authorities provide universal services such as highways and waste collections which bring benefits to all age groups. However, many services such as education and social care are delivered to proportionately higher numbers of younger and older people and as a result these groups are more likely to experience the effects of any changes to services resulting from the budget.</p> <p>The additional funding for schools will enable schools to meet demand pressures and ensure children and young people are supported to achieve their potential.</p> <p>Meeting the funding gap due to a decrease in grant funding in the Inspire Programme will allow for the continuation for the service. This will ensure continued support for children and young people to remain in or return to school or an appropriate educational setting.</p> <p>The commitment to providing additional funding to support pupils with Additional</p>	<p>An increase in the cost of an hourly rate of care could adversely affect some older residents who may rely on the service. The increase may result in some residents accessing a fewer number of hours of care.</p> <p>An increase to residential and nursing fees within Adult's Social Care may negatively affect older residents who access the service. Increased charges may mean some residents can no longer access the service, or may require an increased number of residents and families to 'top-up' their care, if they are to continue to access their chosen care placement.</p> <p>The charge service users pay for Monmouthshire Meals (sometimes known as 'Meals on Wheels') will increase. This subsidised service is currently used by around 220 people. This could affect users, who are those with an assessed care need, and affect older frail adults and their carers. Some people may choose to stop receiving the service. However, there are private providers of community meals type services in the county which could potentially mitigate this</p>	<p>The cost of care in Wales is capped at a weekly maximum of £100 per week, which remains unchanged for 2026/27.</p> <p>The fees charged for residential and nursing care are based on an individual's ability to pay after undergoing a means tested financial assessment.</p> <p>We will ensure the Social Services and Well-being Act charging legislation is adhered to. This ensures that service users are means tested to determine their ability to pay.</p> <p>Increased demand, the fragility of the social care sector and the availability of care staff remain a key risk for Adult Social Care which needs to be considered as part of budget proposals.</p> <p>In the event that proposals result in staffing reductions, we will ensure that the Protection of Employment Policy is adhered to at all times. This will ensure that we are able to redeploy staff wherever possible. Trade Unions will be</p>

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	<p>Learning Needs (ALN) will help ensure that children and young people with complex ALN are provided with appropriate provision to meet their identified needs. Increasing the capacity of special resource bases (SRBs) will enable more pupils with ALN to attend, reducing the need for children to travel to out-of-county placements.</p> <p>The appointment of a Vulnerable Learning Lead will further our support for vulnerable pupils in the county and ensure their needs are considered and met. The appointment of an Education Welfare Officer within the pupil referral service (PRS) will support the delivery of the service, ensuring the needs of the children and young people within the PRS are appropriately met.</p> <p>The appointment of an additional teacher to support the delivery of Welsh medium education within the county will help drive forward the council's ambition of increasing Welsh-medium provision to meet demand.</p> <p>Meeting the funding gap due to a decrease in grant funding for non-maintained childcare settings will allow</p>	<p>effect for some users. We recognise that private providers may not deliver to all areas exacerbating issues of geographical inequality.</p>	<p>briefed through meeting of the Joint Advisory Group in January.</p>

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	<p>children to continue to access early education which is an important part of their development.</p> <p>Investing in additional resource to support the provision of Social Emotional Mental Health support within schools will ensure children and young people feel supported and able to remain in school.</p> <p>Providing additional funding to meet the costs of placements in both adult and children's social care resulting from higher demand and more complex cases will ensure that both children and young people and older people in receipt of care continue to be supported, helping them to live independently, access vital services, improve their quality of life and maintain close relationships with family and friends.</p> <p>Providing additional funding to uplift social care provider fees will increase the likelihood that independent care providers can continue to operate in our area, helping the council to secure care for vulnerable people.</p> <p>The council is committed to eliminating profit from care for children and young</p>		

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	<p>people. Changes to practice in children's placements seek to drive forward this objective, aligned to the Placement Development Strategy, and provide more appropriate and better aligned placements for those children and young people who require them. This would mean less placements of children looked after with independent fostering agencies and result in a financial saving for the council.</p> <p>Meeting the funding gap for Family Support will ensure children are supported to remain with their family wherever possible and within their communities.</p> <p>Additional funding to increase the fees and allowances paid to foster carers will aid the council's aim of increasing the number of local authority foster carers in the county. This will mean that fewer children are placed in private placements or residential children's homes which can often be far from their familiar community and more costly than in-house provision.</p>		<p>The improvements in care planning are reliant on the implementation of the Placement Development Strategy, including developing further and appropriate placements within the council and with foster carers.</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Disability	<p>Many of our services, such as social care, are delivered to proportionately higher numbers of disabled people.</p> <p>The commitment to providing additional funding to support pupils with Additional Learning Needs (ALN) will help ensure that children and young people with complex ALN are provided with appropriate provision to meet their identified needs. Increasing the capacity of special resource bases (SRBs) will enable more pupils with ALN to attend, reducing the need for children to travel to out-of-county placements.</p> <p>Providing additional money to meet funding pressures in adult and children's social care will allow those experiencing physical and learning disabilities as well as ill-health, both mental and physical, to continue to receive support, to live independently and access vital services.</p> <p>Putting in place additional funds to uplift social care provider fees will increase the likelihood that independent care providers can continue to operate in our area, helping the council to secure care for vulnerable people.</p>	<p>As highlighted in the age category, the charge service users pay for Monmouthshire Meals will increase. The service is currently used by around 220 people. This would affect users of the service, including disabled people and their carers. Some people may choose to stop receiving the service. As highlighted in the age category of this assessment we recognise that private providers may not deliver to all geographical areas exacerbating issues of geographical inequality in alternative service provision.</p> <p>An increase in the cost of an hourly rate of at-home care may affect a higher proportion of disabled residents who may be reliant on the service. The increase may result in some residents accessing a fewer number of hours of care.</p> <p>An increase to residential and nursing fees within Adult's Social Care may negatively affect residents with a disability who require certain levels of care. Increases in charges may mean some residents can no longer access the service, and may need to reduce the number of hours of care received.</p>	<p>The cost of care in Wales is capped at a weekly maximum of £100 per week, which remains unchanged for 26/27.</p> <p>The fees charged for residential and nursing care are based on an individual's ability to pay after undergoing a means tested financial assessment.</p> <p>We will ensure the Social Services and Well-being Act charging legislation is adhered to. This ensures that service users are means tested to determine their ability to pay.</p> <p>Increased demand, the fragility of the social care sector and challenges recruiting care staff remain a key risk for Adult Social Care which needs to be considered as part of budget proposals.</p> <p>There are private providers of community meals services in the county which could potentially mitigate this effect for some users.</p>

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
	Local data highlights that 57% of users of Citizens Advice in Monmouthshire were disabled or had a long-term health condition. Increasing the funding available to this service would ensure these individuals can continue to be supported.		
Gender reassignment	At this stage proposals haven't identified a particular overall impact, either positive or negative, on people who have undergone or are considering gender reassignment.	<p>At this stage, proposals haven't identified a particular overall impact, either positive or negative, on people who have undergone or are considering gender reassignment.</p> <p>We know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands. This means they could be proportionality more likely to be affected by any increases in fees and charges.</p>	None identified at this stage.
Marriage or civil partnership	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative.</p> <p>Same-sex couples who register as civil partners have the same rights as married couples in employment and must be provided with the same benefits available to married couples, such as survivor pensions, flexible working,</p>	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative.</p> <p>We know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands. This means they could be proportionality more likely to be affected by any increases in fees and charges.</p>	None identified at this stage.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	maternity/paternity pay and healthcare insurance.		
Pregnancy or maternity	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative.</p> <p>In the provision of services, goods and facilities, recreational or training facilities, a woman is protected from discrimination during the period of her pregnancy and the period of 26 weeks beginning with the day on which she gives birth.</p>	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative.</p> <p>We know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands. This means they could be proportionally more likely to be affected by any increases in fees and charges.</p>	None identified at this stage.
Race	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative, that will differ by race.</p>	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative, that will differ by race.</p> <p>We know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands. This means they could be proportionally more likely to be affected by any increases in fees and charges.</p>	None identified at this stage.
Religion or Belief	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative, that will differ by religion or belief.</p>	<p>At this stage proposals haven't identified a particular overall impact, either positive or negative.</p> <p>We know from research, that people with some protected characteristics are likely to be</p>	None identified at this stage.

<b>Protected Characteristics</b>	<b>Describe any positive impacts your proposal has on the protected characteristic</b>	<b>Describe any negative impacts your proposal has on the protected characteristic</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
		disproportionately represented in the lower income bands. This means they could be proportionality more likely to be affected by any increases in fees and charges.	
Sex	Local data shows that approximately 55% of users of citizens advice services are women. An increase in grant funding for this service should have a proportionally higher benefit on this group.	Women make up the majority of both paid and unpaid caring roles. Any reduction in services available for adults with care and support needs will negatively impact on carers; and therefore, the impact will be felt disproportionately on women.	The council will continue to make use of all staff wellbeing resources, including stress risk assessments to understand and mitigate demands placed on staff.
Sexual Orientation	At this stage proposals haven't identified a particular overall impact, either positive or negative that will differ according to sexual orientation.	At this stage, proposals haven't identified a particular overall impact, either positive or negative.  We know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands and therefore proportionality more likely to be affected by increases in fees and charges.	None identified at this stage.

## 2. The Socio-economic Duty and Social Justice

The Socio-economic Duty requires public bodies to have due regard to the need to reduce inequalities of outcome which result from socio-economic disadvantage when taking key decisions. This duty aligns with our commitment as an authority to Social Justice.

	<b>Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage</b>	<b>Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>Socio-economic Duty and Social Justice</b>	<p>The council provides a range of services that support people experiencing socio-economic disadvantage. Any increase in fees and charges for services will have a higher impact on households with the lowest incomes. Many service areas already have mitigations or discounts in place to reduce the socio-economic impact of charges.</p> <p>Uplifting social care provider fees will enable those providing social care to continue pay the real living wage to care workers who are typically on lower incomes. This is in line with the commitment made by the Welsh Government.</p> <p>Children who are looked after and care experienced young people often face socio- economic disadvantages and a paucity of support networks. Practice change in children's services seeks to</p>	<p>Adults with care and support needs, and their carers, can often be economically disadvantaged. As highlighted in the introduction, there is a correlation between some protected characteristics and an increased risk of poverty. The more protected characteristics a person has, the more likely they are to experience financial hardship.</p> <p>The budget contains a proposal to increase charges for domiciliary care from £24 to £26 per hour. (Fees and Charges report). These are currently capped at £100 per week in Wales, which provides a significant mitigation. A further mitigation is provided in the form of means testing, as only those who are assessed as being able to afford this will pay. There will also be increases in fees for residential care.</p>	<p>Charges for domiciliary care are currently capped at £100 per week in Wales. Means testing is also in place so only those who are assessed as being able to afford this will pay. See the Fees and Charges report which is part of the budget proposals for more details.</p> <p>Ensuring that practitioners in social care understand the impact of socio-economic disadvantage on individuals with care and support needs and have the right skills and knowledge to be able to support people in such circumstances (across social care).</p>

	<b>Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage</b>	<b>Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	<p>provide the best support for young people as they approach adulthood through the provision of appropriate accommodation, support and services that should have a positive effect on their longer-term social and economic well-being.</p> <p>The case to invest in foster carer fees and allowances should enable more children in care to remain in the local area. This in turn should contribute towards reducing the inequalities across a whole range of outcomes associated with socio-economic disadvantage.</p> <p>Meeting the funding gap due a decrease in grant funding in the Inspire Programme will allow for the continuation for the service, ensuring vulnerable children and young people in our schools are supported to remain in or return to school or an appropriate educational setting.</p> <p>The appointment of a Vulnerable Learning Lead will further our support for vulnerable pupils in the county, ensuring their needs are considered and met.</p> <p>Meeting the funding gap due to a decrease in grant funding for non-maintained</p>	<p>This will impact on proportionately more older people. These are also means tested providing mitigation to those on the lowest incomes.</p> <p>As highlighted in section one, the price people pay to have Monmouthshire Meals delivered to their homes will increase. Private alternatives are in place for those who cannot or do not want to pay the higher charge. However, we recognise that private providers may not deliver to all geographical areas of our county, exacerbating issues of geographical inequality.</p> <p>Increases to car park charges will have a disproportionate effect on those experiencing socio-economic disadvantage who may have to pay a higher proportion of their income to park near their workplace or when accessing services in town centres.</p> <p>An increase in Council Tax will have a financial impact on all households on lower incomes, as any bills will form a higher proportion of their household</p>	<p>The Council Tax reduction scheme offers some mitigation, council tax is means tested and those who qualify are able to apply for a reduction. Single person</p>

	<b>Describe any positive impacts your proposal has in respect of people suffering socio economic disadvantage</b>	<b>Describe any negative impacts your proposal has in respect of people suffering socio economic disadvantage.</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?</b>
	<p>childcare settings will allow children to continue to access early education which is an important part of their development. This will also ensure low-income families benefitting from the service can continue to do so, ensuring free or low cost childcare and enabling parents to access work when they otherwise may not be able to.</p> <p>Local data shows that users of the Citizens Advice service are more likely to come from areas suffering economic deprivation. An increase in funding is likely to have a positive effect on this group.</p>	<p>expenditure. As a result, they are likely to feel the impact more acutely. Those who are eligible, are able to apply for a reduction in council tax through the Council Tax reduction scheme which will mitigate the effects of the increase.</p> <p>There is a risk that any budget proposals that increase discretionary charges will have a disproportionate impact on people on low incomes and therefore will widen economic inequality.</p>	<p>households are eligible for a 25% reduction on council tax.</p> <p>An increase in funding for citizens advice is likely to have a positive impact as it will increase support for those suffering economic disadvantage.</p> <p>In the event that proposals result in staffing reductions, we will ensure that the Protection of Employment Policy is adhered to at all times. This will ensure that we are able to redeploy staff wherever possible. Trade Unions will be briefed through the Joint Advisory Group.</p> <p>It is important to assess and understand the impact of our proposals on those in poverty, especially if there is a cumulative impact from a number of proposals. The evidence in this paper helps assess the overall potential impact of the budget on different people within our communities and looks to establish the cumulative financial impact of the budget.</p>

### 3. Policy making and the Welsh language.

<b>How does your proposal impact on the following aspects of the council's Welsh Language Standards:</b>	<b>Describe the positive impacts of this proposal</b>	<b>Describe the negative impacts of this proposal</b>	<b>What has been/will be done to mitigate any negative impacts or better contribute to positive impacts</b>
<p><b>Policy Making</b>  Effects on the use of the Welsh language,  Promoting Welsh language  Treating the Welsh language no less favourably.</p>	<p>All proposals will comply with the Welsh language standards applicable to the authority.</p> <p>Investing in the appointment of an additional teacher to support Welsh provision will make a positive contribution to the delivery of the Welsh Education Strategic Plan (WESP), enhancing the delivery of and furthering the promotion of Welsh medium education.</p>	<p>None identified at this stage</p>	<p>All signage and material arising from budget proposals will be compliant with the Welsh Language (Wales) Measure 2011 and Welsh Language Standards.</p>
<p><b>Operational</b>  Recruitment &amp; Training of workforce</p>	<p>We will ensure that new vacancies are assessed and where possible advertised as 'Welsh essential' to increase opportunities for people to engage with the council through the medium of Welsh.</p>	<p>None identified at this stage.</p>	<p>Ensure that new roles are assessed to determine Welsh language requirements. Active promotion of vacancies in Welsh language publications and websites as well as targeted promotion via LinkedIn.</p> <p>Continue to promote and fund language courses to increase the number of learners in line with the aspirations in our Welsh Language Strategy.</p>

<p><b>Service delivery</b></p> <p>Use of Welsh language in service delivery</p> <p>Promoting use of the language</p>	<p>Investing in the appointment of an additional teacher to support Welsh provision will make a positive contribution to the delivery of the Welsh Education Strategic Plan (WESP), enhancing the delivery of and furthering the promotion of Welsh medium education.</p>	<p>None identified at this stage</p>	<p>Ensure that appropriate mitigations are put in place at a service level to mitigate the loss of any individuals on our overall ability to provide services in Welsh.</p>
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**4. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.**

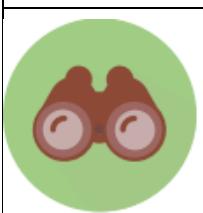
<b>Well-being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<p><b>A prosperous Wales</b> Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Overall spending on services will increase as a result of this budget. This will ensure that the council is able to continue to run services that meet the needs of people, communities and businesses contributing to all of the national well-being goals as well as the aspirations of our Community and Corporate Plan for Monmouthshire to be a thriving and ambitious place.</p> <p>The proposals include an addition investment in school budgets to meet the demand schools are facing in maintaining attendance levels and improving standards.</p> <p>Several proposals meet additional resource requirements for specialist education support in order to ensure that young people are able to receive the support they require. This could support their future job prospects.</p> <p>Continuing to support the Inspire programme to offset reductions in grant funding, will continue support to young people at risk of not being in Education, Employment, or Training.</p>	<p>None identified at this stage.</p>
<p><b>A resilient Wales</b> Maintain and enhance biodiversity and ecosystems that support</p>	<p>Tackling climate change is one of the biggest priorities of our organisation. This budget recognises the need for increased spending in a number of areas that will enable us to continue this work.</p>	<p>None identified at this stage.</p>

<b>Well-being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<b>resilience and can adapt to change (e.g. climate change)</b>	This includes investment in flood alleviation measures through an additional gulley cleaning team to adapt to changing weather and more frequent extreme weather events.	
<p><b>A healthier Wales</b> People's physical and mental wellbeing is maximised, and health impacts are understood</p>	<p>Our Community and Corporate Plan commits us to taking action to create healthy and sustainable places where the health inequalities that exist within and between communities have been reduced. The budget continues to invest in a wide range of services that make it possible for us to achieve this.</p> <p>The budget includes investment in social care and the supporting of a range of pressures that safeguard and support the health and well-being of children and young people and adults in the county.</p> <p>Savings are being delivered in social care through the long term children's care planning and placement strategy and consolidation of vacancies within in house domiciliary care that have arisen through commissioning of longer -term care at home packages.</p>	Continue to review the delivery of the children care planning and placement strategy and delivery of care at home and reablement services in adults social care.
<p><b>A Wales of cohesive communities</b> Communities are attractive, viable, safe and well connected</p>	We are committed to investing in a range of services that contribute to our policy aspirations for Monmouthshire to be a thriving safe and well-connected county where people feel part of their community.	The proposals include an increase in investment to Citizens Advice Monmouthshire to recognise the key role the organisation plays in supporting Monmouthshire residents. These services provide a vital safety net for vulnerable people alongside the provision of services for the whole community.

<b>Well-being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
<p><b>A globally responsible Wales</b> Taking account of impact on global well-being when considering local social, economic and environmental wellbeing</p>	<p>Our commitment to tackling climate change by decarbonising our operations is a small part of a wider global effort.</p> <p>A number of service areas will see an additional investment or maintenance of funding levels ensuring that services that reduce our climate emissions are able to be maintained.</p>	<p>None identified at this stage</p>
<p><b>A Wales of vibrant culture and thriving Welsh language</b> Culture, heritage and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation</p>	<p>As part of our commitment to making Monmouthshire a thriving and ambitious place we are continuing to support Monmouthshire's towns and visitor attractions making them accessible and welcoming where amenities, events and experiences are attractive for residents, visitors and businesses. Sometimes we have to make changes and look to different ways to keep services running but we continue to think differently keep services operating.</p> <p>Recruiting an additional teacher to support Welsh provision will enable the council to further promote and encourage the use of the Welsh language and Welsh medium education.</p> <p>See Policy making and Welsh language section above for further details.</p>	<p>See Policy making and Welsh language section above for further details.</p>
<p><b>A more equal Wales</b></p>	<p>Tackling inequalities, working with and alongside our communities is one of the absolute priorities of the council. This is enshrined in the budget principles</p>	<p>Proposals within the budget is assessed to identify the effects on the most vulnerable in our society. Where we identify changes could have a disproportionate adverse effect on those</p>

<b>Well-being Goal</b>	<b>Does the proposal contribute to this goal? Describe the positive and negative impacts.</b>	<b>What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
People can fulfil their potential no matter what their background or circumstances	<p>within the Medium Term Financial Strategy which are the cornerstone of the budget.</p> <p>The budget includes a range of proposals, including continuing the funding for the Inspire programme to offset reductions in grant funding and increased support for additional learning need provision, that have a focus on tackling inequalities and to protect the most vulnerable in our society.</p> <p>See Protected Characteristics and Socio-Economic Duty sections above for further details.</p>	<p>with protected characteristics or who suffer socio-economic disadvantage we have taken that into account and sought to mitigate the effect by refining the proposals as we have gone along.</p> <p>See Protected Characteristics and Socio-Economic Duty sections above for further details.</p>

## 5. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.	Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?
 <b>Long Term</b>	<p>Balancing short term need with long term and planning for the future</p> <p>The necessity for short-term financial planning in some cases may have an impact on the ability to deliver quality services in the long term. For a number of posts and workstreams across all directorates there is an increasing reliance on grant-funded posts and projects, these are often for fixed term periods in the shorter term. This can be a challenge to their longer-term viability.</p>	<p>The council has developed a Medium-Term Financial Strategy, this provides the strategic framework to guide medium term financial planning. This is helping ensure a focus on the council's long-term policy objectives and its financial capacity.</p>
 <b>Collaboration</b>	<p>Working together with other partners to deliver objectives</p> <p>Proposals include numerous investments and increased contributions to the various partnerships and collaborations that the council is involved in. These include increased contributions to the Local Authority School Improvement Service, and increased funding to Citizens Advice. Ensuring effective partnership working and collaboration is a priority of the council and is key to delivering its objectives.</p>	<p>Clear expectations and communication established with all partners we collaborate with.</p>
 <b>Involvement</b>	<p>Involving those with an interest and seeking their views</p> <p>We are committed to working with and alongside our communities to shape the future of the council and the communities it serves.</p> <p>Overall, these proposals will form part of the budget consultation and will be subject to a full and extensive public consultation and engagement exercise.</p>	<p>Ensure that proposals and the accompanying Integrated Impact Assessments are updated as a result of any further consultation and engagement.</p>

<b>Sustainable Development Principle</b>	<b>Does your proposal demonstrate you have met this principle? If yes, describe how. If not explain why.</b>	<b>Are there any additional actions to be taken to mitigate any negative impacts or better contribute to positive impacts?</b>
 <p><b>Prevention</b> Putting resources into preventing problems occurring or getting worse</p>	<p>Wherever possible, our actions aim to prevent problems occurring or getting worse. We are investing in services which shift focus from reactive to preventative approaches. We will prioritise supporting those who are near to needing statutory support – individuals at risk and cohorts of residents experiencing levels of deprivation that make them vulnerable to early ill-health. This will improve long-term outcomes and reduce demand in line with the prevention principle. This includes additional funding for Family Support to enable children to remain with their families, where possible, and further funding for adult social care, aligned with the recently developed Prevention Strategy - 'Living Well Monmouthshire'</p>	<p>Continue to review the delivery of the children care planning and placement strategy and delivery of care at home and reablement services in adult social care.</p> <p>Increased demand, the fragility of the social care sector and the availability of care staff remains a key risk for Adult Social Care although some of these issues are outside the council's direct control to address.</p> <p>Ensure the effective implementation of our Living Well Monmouthshire strategy, ensuring that its implementation is aligned across the whole organisation.</p>
 <p><b>Integration</b> Considering impact on all wellbeing goals together and on other bodies</p>	<p>The council works across multiple areas and many of these proposals can have positive and potentially negative impacts on one another. It is important that as proposals are developed, we seek to balance competing impacts and fully consider the impacts that proposals will have on other organisations.</p>	<p>Use of this cumulative impact assessment will help to identify overall impacts of proposals in an integrated way, as well as specific assessments specific proposals.</p>

6. The council has agreed the need to consider the impact its decisions have on the following important responsibilities: Corporate Parenting and Safeguarding. Are your proposals going to affect any of these responsibilities?

	Describe any positive impacts your proposal has	Describe any negative impacts your proposal has	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Safeguarding is about ensuring that everything is in place to promote the well-being of children and vulnerable adults, preventing them from being harmed and protecting those who are at risk of abuse and neglect. Specific proposals include an assessment of the impact on safeguarding.	Specific proposals include an assessment of the impact on safeguarding, including any potential negative impact on delivering the council's safeguarding responsibilities.	Specific proposals include an assessment on the impact on safeguarding, including mitigation related to the potential impact on delivering the council's safeguarding responsibilities.  Safeguarding is at the heart of everything the council does. All staff are trained to a level that is appropriate to their role.
Corporate Parenting, Care Leavers and Care Experienced people	The council has a responsibility to children who are looked after. The council has a corporate duty to consider children looked after especially and promote their welfare (in a way, as though those children were their own). Specific proposals include an assessment on the impact on corporate parenting.	Specific proposals include an assessment on the impact on corporate parenting, including any potential negative impact on delivering the Council's corporate parenting responsibilities.	Specific proposals include an assessment on the impact on corporate parenting, including mitigation related to the potential impact on delivering the council's corporate parenting responsibilities

## 7. What evidence and data has informed the development of your proposal?

The proposals are based upon a wide range of data and evidence, and this will be contained within the evaluations of directorate proposals.

Data sources include for example:

- Quantitative data such as user numbers, measuring whether changes have had a positive or negative impact on the number of people using the service, in some cases, such as preventative services less users will be a positive
- Qualitative data that gives people views of the service which includes analysis of complaints.
- Data derived from national sources such as ONS, Census and Stats Wales which allow us to measure the whole population.

## 8. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

This assessment summarises the headline message from directorate assessments where proposals have been identified as having a positive or negative impact on those with protected characteristics, the socio-economic duty, and the ways of working and national well-being goals. The assessment has been updated through the development of the budget proposals. This does not highlight every single issue but reveals some of the key impacts of budget proposals and provides scope for continual learning and improvement as proposals are developed.

## 9. ACTIONS: As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible
Existing actions have been identified within directorate assessments.	As per budget proposal impact assessments	As per budget proposal impact assessments

## 10. VERSION CONTROL: The Equality and Future Generations Evaluation should be used at the earliest stage, such as informally within your service, and then further developed throughout the decision-making process. It is important to keep a record of this process to demonstrate how you have considered and built into equality and future generations considerations wherever possible.

<b>Version No.</b>	<b>Decision making stage</b>	<b>Date considered</b>	<b>Brief description of any amendments made following consideration</b>
0.1	Strategic Leadership Team and Cabinet	Ongoing during development of proposals	Amendments made within the form

## Part 2 - The Cumulative Financial Impact

The Socio-economic Duty requires local authorities to think about how their strategic decisions, affect inequality of outcomes for people who suffer socio-economic disadvantage. Monmouthshire has the highest level of income inequality in Wales and we recognise that any increase in fees and charges for services will have a higher impact on households on the lowest incomes. In addition, we know that there are geographical inequalities in our counties, for example the challenges faced by rural communities are very different from those in towns. Assessing geographical disparities is something we do operationally by targeting services such as housing and social care and this is taken into account in the way that services are delivered.

This section looks at the combined effect of increased fees and charges on different household compositions and income levels. We do this because individual changes can sometimes seem small when looked at in isolation but can add up to a more significant sum when taken together. This is one of the ways we meet our socio-economic duty. It also means we can identify where we need to apply a degree of mitigation to reduce the potential negative impacts of our proposals.

The impact below has been modelled on some of the planned increases in fees and charges. We have used seven different household types, the same as the assessment last year. For each household type we have modelled the cumulative financial impact based on different household incomes. The financial modelling does not include an analysis of people by protected characteristics as that is covered by part one of this report. However, we know from research, that people with some protected characteristics are likely to be disproportionately represented in the lower income bands. Research by the Health Foundation has highlighted that disabled people are two percentage points more likely to be in poverty than non-disabled people. Younger households, at the earlier stages of their careers could be more likely to be on lower incomes. The increases in fees and charges modelled to develop this assessment along with further information on the methodology used are shown in Appendix 2.

### Cumulative Financial Impact – Before and after mitigating actions.

Household	Income	Forecast Cost after mitigation (percentage of income shown in brackets)	Initial proposed increase <i>before</i> mitigation (percentage of income shown in brackets)	The amount of money our mitigating measures reduced costs by
<b>Household 1-</b> 2 Adults, 2 Dependent Children, 1 Older Person	£36,000	£119.09 (0.33%)	£698.39 (1.94%)	£579.29
	£52,000	£173.19 (0.33%)	£698.39 (1.34%)	£525.20
	£56,000	£173.19 (0.31%)	£698.39 (1.25%)	£525.20
	£74,000	£173.19 (0.23%)	£698.39 (0.94%)	£525.20
<b>Household 2 –</b> 2 Adults, 2 Dependent Children	£22,000	£54.09 (0.25%)	£113.39 (0.52%)	£59.29
	£36,000	£108.19 (0.30%)	£113.39 (0.31%)	£5.20
	£40,000	£108.19 (0.27%)	£113.39 (0.28%)	£5.20
	£62,000	£108.19 (0.17%)	£113.39 (0.18%)	£5.20
<b>Household 3 –</b>	£17,000	£0 (0%)	£113.39 (0.67%)	£113.39
	£22,000	£54.09 (0.25%)	£113.39 (0.52%)	£59.29

<b>Household</b>	<b>Income</b>	<b>Forecast Cost after mitigation (percentage of income shown in brackets)</b>	<b>Initial proposed increase <i>before</i> mitigation (percentage of income shown in brackets)</b>	<b>The amount of money our mitigating measures reduced costs by</b>
1 Adult, 2 Dependent Children	£30,000	£81.14 (0.27%)	£113.39 (0.38%)	£32.25
	£40,000	£81.14 (0.20%)	£113.39 (0.28%)	£32.25
<b>Household 4 –</b> 2 Adults (both aged below 66)	£22,000	£54.09 (0.25%)	£113.39 (0.52%)	£59.29
	£36,000	£108.19 (0.30%)	£113.39 (0.31%)	£5.20
	£40,000	£108.19 (0.27%)	£113.39 (0.28%)	£5.20
	£62,000	£108.19 (0.17%)	£113.39 (0.18%)	£5.20
<b>Household 5 –</b> 2 Adults (both aged over 66)	£22,000	£184.09 (0.84%)	£758.19 (3.45%)	£574.09
	£24,000	£238.19 (0.99%)	£758.19 (3.16%)	£520.00
	£40,000	£238.19 (0.60%)	£758.19 (1.90%)	£520.00
	£52,000	£238.19 (0.46%)	£758.19 (1.46%)	£520.00
<b>Household 6 –</b> 1 Older Person	£12,000	£65.00 (0.54%)	£693.19 (5.78%)	£628.19
	£18,000	£65.00 (0.36%)	£693.19 (3.85%)	£628.19
	£22,000	£119.09 (0.54%)	£693.19 (3.15%)	£574.09
	£40,000	£146.14 (0.37%)	£693.19 (1.73%)	£547.05
<b>Household 7 –</b> 1 Younger Person (working age)	£15,000	£0 (0%)	£113.39 (0.76%)	£113.39
	£24,000	£54.09 (0.23%)	£113.39 (0.47%)	£59.29
	£30,000	£81.14 (0.27%)	£113.39 (0.38%)	£32.25
	£40,000	£81.14 (0.20%)	£113.39 (0.28%)	£32.25

The proposed Council Tax increase of 5.95% will result in an additional monthly cost of £108.19 on a Band D property. If a household is on a low income, they may be eligible for the Council Tax Reduction Scheme which would reduce their Council Tax bill.<sup>1</sup> This is calculated on individual circumstances and the entitlement varies; the model includes reductions of 50% and 100% for certain household incomes. It also includes a 25% single persons discount attributed to some income bands in relevant households. It is unlikely that someone on a low income would be paying for social care and there is a £100 weekly cap for care at home. As incomes rise it would be expected that many households will be living in more expensive properties and would be paying higher rates of council tax. A breakdown of the charges and methodology used to produce the table above can be found in appendix 2.

#### **Household 1 - 2 Adults, 2 Dependent Children, 1 Older Person**

For a household with an income of £36,000, the potential impact on their income from the increased fees and charges is an increased annual spend of £119.09 equating to 0.33% of their total income. The mitigations put in place have ensured that this impact has been reduced from a potential figure of £698.39 or 1.94% of their total income.

For households with incomes of £52,000, £56,000 and £74,000 the mitigated increased fees and charges equate to 0.33%, 0.31% and 0.23% of their total annual income respectively. The mitigations put in place have ensured that this has reduced from 1.34%, 1.25% and 0.94%.

One of the largest increases would be the possible increased cost of community meals, based on the older person within the household modelled as receiving 5 meals a week for a year. Social care charges have also been considered for the older person within the household. However, modelling based on 5 hours of care a week, the increase in cost will be completely mitigated due to the weekly cap of £100 - only those currently receiving 3 hours of care or under will be affected by the increase (+£6 per week/£312 a year). The use of a five-hour care package has been used as part of the cumulative impact assessment modelling by this authority for many years and is retained for the purposes of consistency. However, this is below the average care package in Monmouthshire, therefore the numbers of household requiring less than 5 hours of care a week is small – which means the increase across all households will be mitigated for the vast majority of those receiving care.

A council tax reduction has been modelled against the lowest income threshold, as the model assumes the older person within the household would be receiving pension credit. Other charges modelled for all income bands are the increase in parking charges.

#### **Household 2 - 2 Adults, 2 Dependent Children**

For a household with an income of £22,000, the potential impact on their income from the increased fees and charges is an increased annual spend of £54.09 equating to 0.25% of their total income. The mitigations put in place have ensured that this impact has been reduced from a potential figure of £113.39 or 0.52% of their total income.

For households with an income of £36,000, £40,000 and £62,000 the increased fees and charges would be 0.31%, 0.28% and 0.18% of their total annual income respectively. There are minimal changes in costs on these income groups resulting from the mitigations available.

It has been modelled that the lowest household income will be eligible for the council tax reduction scheme at 50%, which would mitigate the 5.95% annual increase of £108.19 to £54.09.

#### **Household 3 - 1 Adult, 2 Dependent Children**

For a household with an income of £17,000, there is a potential for no impact on their income from the increased fees and charges following mitigations. The mitigations modelled would mean the impact has been reduced from a potential figure of £113.39 annually or 0.67% of their total income.

For households with incomes of £22,000, £30,000 and £40,000 the increased fees and charges equate to 0.25%, 0.27% and 0.20% of their total annual income respectively. The mitigations put in place would reduce this from 0.52%, 0.38% and 0.28%.

Although the income for this household is likely to be less than that of the 2 Adult with 2 Children household, the increases in fees and charges on the household are very similar for the equivalent income bands. Lower income bands have been included within the model to reflect the possibility of low-income single earner households.

For those earning £22,000 and under, mitigations have been included in the model due to the likelihood of their eligibility for the council tax reduction scheme. The lowest income band (£17,000) has a 100% reduction that negates the 5.95% modelled increase, whereas the £22,000

income household has a 50% reduction which would see an increased cost of £54.09 rather than £108.19. The higher income bands for the household composition have been attributed a 25% single persons discount (£81.14 increase compared to the full £108.19).

#### **Household 4 - 2 Adults (working age)**

For a household with an income of £22,000, the potential impact on their income from the increased fees and charges is an increased annual spend of £54.09 equating to 0.25% of their total income. The mitigations put in place would mean that this impact has been reduced from a potential figure of £113.39 or 0.52% of their total income.

For households with incomes of £36,000, £40,000 and £62,000 the increased fees and charges equate to 0.31%, 0.28% and 0.18% of their total annual income respectively. The mitigations available would provide minimal difference to their increased costs.

For the lowest income household of £22,000, mitigation has been included in the model due to the likelihood of their eligibility for the council tax reduction scheme.

This household composition is likely to be less affected than other households as they do not have any dependent children and may not require certain services such as adult social care.

#### **Household 5 - 2 Adults (both aged over 66)**

For a household with an income of £22,000, the potential impact on their income from the increased fees and charges is an increased annual spend of £184.09 equating to 0.84% of their total income. The mitigations put in place have ensured that this impact has been reduced from a potential figure of £758.19 or 3.45% of their total income.

For households with incomes of £24,000, £40,000 and £52,000 the mitigated increase in fees and charges would be 0.99%, 0.6% and 0.46% of their total annual income respectively.

This is one of the largest percentages in the model. Most of the increase in cost is from the proposed annual increase in social care costs. The model is based on 5 hours of care received per week, for 52 weeks a year which equates to a £520 increase per year. However, there is a mitigated cost of a £100 cap per week which would mean that the household is already at this limit if they are receiving 5 or more hours a week and would therefore see no additional increase in cost. An increase of £130 per year could also result from community meal charges – based on an assumption that both members of the household would receive 5 meals a week from the service.

At the lowest income for this household modelled, £22,000, there is a modelled potential mitigated cost for council tax of £54.09 – which is an example of a 50% discount, which could be provided via the council tax reduction scheme. Alongside the charges noted above, the model includes a full council tax increase of 5.95% for all but the lowest income household, which would be £108.19 based on a Band D property.

#### **Household 6 - 1 Older Person**

For a household with an income of £12,000, the potential impact on their income from the increased fees and charges is an increased annual spend of £65 equating to 0.54% of their total annual income. The mitigations put in place have ensured that this impact has been reduced from a potential figure of £693.19 or 5.78% of their total annual income. This income figure is used as it is broadly in line with the state pension.

For households with incomes of £18,000, £22,000 and £40,000 the increased fees and charges equate to 0.36%, 0.54% and 0.37% of their total annual income respectively. The mitigations put in place have ensured that this has reduced from 3.85%, 3.15% and 1.73%.

The model shows potential mitigations in place for this household, including example potential council tax mitigations of 100% for the two lowest income bands and a 50% reduction for the £22,000 income household (an increase of £54.09 rather than £108.19). The £40,000 household has a 25% single persons discount allocated. This household could incur the increased costs for adult social care, the potential mitigation for the household of the social care cap being reached would limit, or could remove, as modelled, any increase in non-residential care fees. At all income levels the household could incur the potential increased cost for community meals.

#### **Household 7 - 1 Younger Person (working age)**

For a household with an income of £15,000, mitigations put in place would mean there is no increase in cost, from a potential figure of £113.39 or 0.76% of their total income.

For households with incomes of £24,000, £30,000 and £40,000 the increased fees and charges equate to 0.23%, 0.27% and 0.2% of their total annual income respectively. The mitigations would mean this is reduced from 0.47%, 0.38% and 0.28%.

All modelled income levels for this household have council tax reduction applied, of either a full or a 50% reduction, or single person discount of 25% applied. The single persons discount of at least a 25% reduction in Council Tax increase would see the 5.95% council tax increase resulting in a £81.14 cost per year rather than £108.19. Proposed increase in car parking costs have also been modelled for this household.

## **Appendix 1 -The Legal Context**

Our evaluation is framed by the obligations we have as a council under the following acts.

**The Equality Act 2010** protects people from discrimination in the workplace and wider society. It provides a legal framework to protect the rights of individuals and advance equality of opportunity for all.

The public sector equality duty means that local authorities must consider or think about how their policies or decisions affect people who are protected under the Equality Act. We must do this when we design policies, deliver services and make decisions.

The protected characteristics are age; disability; sex; gender re-assignment; pregnancy and maternity; sexual orientation; race; religion or belief; marriage and civil partnership.

**The Well-being of Future Generations Act** creates a legal framework for better decision-making by public bodies in Wales by ensuring that we take account of the long-term, help to prevent problems occurring or getting worse, take an integrated and collaborative approach, and considers and involves people of all ages.

Together, the seven well-being goals and five ways of working provided by the Act are designed to support and deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs.

**The Socio-Economic Duty** came into effect in Wales on 31st March 2021 placing a responsibility on councils to consider the need to reduce the inequalities that result from socio-economic disadvantage. This evaluation is one of the ways we demonstrate our compliance with these duties.

**The Welsh Language (Wales) Measure 2011** established a legal framework that imposed a duty on Monmouthshire County Council, alongside other public organisations, to comply with standards relating to the Welsh language. The key principles of these standards are that the Welsh language should not be treated any less favourably than the English language and we should promote and facilitate the use of the language.

## Appendix 2 – Cumulative Financial Impact methodology

To model the cumulative financial impact, we have used seven different household types and identified varying annual household incomes for each.

Household composition data from the Census 2021 in Monmouthshire shows for each of the households modelled:

*Household 1 - 2 Adults, 2 Dependent Children, 1 Older Person* - 2% (689) of all household composition households from Census 2021 were multiple family households with dependent children.

*Household 2 - 2 Adults, 2 Dependent Children* – 17% (7033) of all household composition households from Census 2021 were single family households (married, civil partnership or cohabiting couple) with dependent children.

*Household 3 - 1 Adult, 2 Dependent Children* – 6% (2281) of all household composition households from Census 2021 were single family households (lone parent) with dependent children.

*Household 4 - 2 Adults (working age)* – 13% (5309) of all household composition households from Census 2021 were single family households (married or civil partnership) with no children. 5% (2235) households were noted as being co-habiting couple families with no children.

*Household 5 – 2 Adults (both aged 66 and over)* – Census 2021 data showed that there were over 11,000 residents in Monmouthshire that lived in a single-family household of this composition.

*Household 6 - 1 Older Person* – 16% (6534) of all household composition households from Census 2021 were single person households, aged 66 years or older.

*Household 7 – 1 Adult (working age)* - Census 2021 data showed that 14% (5753) of households were made up of one person households that are working age.

The latest information on income levels, wages, benefits and pension rates were used to inform the income level modelled for each household. This shows:

In April 2026, the full new State Pension will rise by £11.05 (+4.8%) to £241.30 a week, which will provide an additional £574.60 a year. The full basic State Pension will also increase to £184.90 a week, an increase of £8.45 a week and £439.40 annually.<sup>2</sup> The annual level of benefit cap for couples (with or without children) or single claimants with a child of qualifying age is unchanged and remains at £22,020 per year, equivalent of £423.46 a week.<sup>3</sup>

Data on income levels will continue to change as wage levels vary, the figures used provide an approximate indication. The National Living Wage is currently £12.21 per hour for those aged 21 and over. For someone working 35 hours per week, this equates to approximately £22,222.20 per year. For someone working 27 hours per week this is approximately £17,142.84 per year. This rate is due to rise to £12.71 per hour from April 2026 for those aged 21 and over<sup>4</sup>. For someone working 35 hours per week, this equates to around £23,132.20 per year. For someone working 27 hours per week, this equates to approximately £17,844.84 per year. The National Minimum Wage for those aged 18-20 will increase from £10 per hour in April 2025 to £10.85 per hour in April 2026, equating to approximately £19,747 per year for those who work 35 hours per week.

As at the financial year 2021-22, 48.2% of lone parents in the UK are employed part-time, and over 3 in 10 are not employed (economically inactive). Women with children are more likely to work part-time, term-time or flexible working hours, compared to fathers or those without children. 47.1% of two parent families have one parent working full-time, and the other working part-time.<sup>5</sup> Average weekly hours of work for part-time workers in the UK is 16.6 hours.<sup>6</sup>

A person is commonly deemed to be in poverty if their household falls below 60% of the UK median household income. The latest data shows the UK median household income is £36,600 (ONS).<sup>7</sup> 60% of this equates to £21,960. The figure for median weekly earnings by residence is £811.80 in Monmouthshire according to NOMIS, this would aggregate to an annual income of £42,214.<sup>8</sup>

## Fees and charges

Each of the planned increases in fees and charges identified to be used in the cumulative financial impact model are shown in the table below. This does not cover every fee and charge within the budget, these have been selected to provide an indication of potential increases for households. Full details on fees and charges are in the budget papers. This shows the Total (T) and Mitigated (M) increase in cost for those fees and charges modelled.

Fees and charges	Increase	Mitigation		2 Adults 2 Dependent Children 1 Older Person	2 Adults 2 Dependent Children	1 Adult 2 Dependent Children	2 Adults (working age)	2 Adults (both 66+)	1 Older Person (66+)	1 Younger Person (working age)
			T	£108.19	£108.19	£108.19	£108.19	£108.19	£108.19	£108.19
Council Tax	5.95% (£108.19 for Band D property)	Single persons discount (-25%) or Council tax reduction scheme (100% discount or 50% discount) modelled for each Household (HH)	M	£54.10 (for lowest income HH)	£54.10 (for lowest income HH)	£0 (for lowest income HH) £54.10 (for £22,000 income HH) £81.14 (Single persons discount)	£54.10 (for lowest income HH)	£54.10 (for lowest income HH)	£54.10 (for £22,000 income HH)	£54.10 (for £22,000 income HH)
Car parking charges	£0.10 for 2 hour stay	Blue badge holders can park for free	T	£5.20	£5.20	£5.20	£5.20	-	-	£5.20
Community meals	£0.25 per meal	None	T	£65.00	-	-	-	£130.00	£65.00	-
			M							

		Total based on 5 hours of care a week	T	£520.00	-	-	-	£520.00	£520.00	-
Non-residential Social care fees	8.3% (£2 per hour)	Mitigated based on 5 hours or more a week is already at the maximum weekly cost cap of £100, therefore no increase in charge would apply.	M	£0				£0	£0	

The table below lists the rationale followed whilst assigning increased costs and mitigations to the households in the table above. A number of methods have been replicated to be consistent with what has been modelled during previous years cumulative financial impact assessments. Although it is recognised that the rationale may not be applicable to all households within the county, the table is an attempt to model how some residents may be impacted to a greater or lesser extent than others.

Fee and Charge	Increase	Rationale for increase
Council Tax	5.95% (£108.19 per Band D property)	5.95% increase on a Band D property as per budget proposal. Mitigations have been added to some households based on income and composition. These include a modelled 25% discount on the 5.95% increase (single persons discount). Applying the possible eligibility for the Council tax reduction scheme to the lower income households, a 50% or 100% mitigated cost has been applied to some households based on the income levels modelled. This is an example only, the scheme is calculated on individual circumstances and the entitlement varies.
Car parking charges	£0.10 - 2 hour stay	Cost has been modelled for a single 2 hour stay per week per household
Community meals	£0.25 per meal	Model includes costings for 5 meals per week for 52 weeks. Costs are attributed to households with older people, with the 5 meals per week for every older person in the household.

Non-residential social care fees	£2 per hour	<p>Cost have been modelled for 5 hours of care per week, which is consistent with previous cumulative financial impact modelling.</p> <p>Due to the £100 maximum weekly charge cap, any increase in cost will be mitigated due to the cap being reached - 5 hours a week at £24 in 2025/26 would cost £120 and 5 hours a week at £26 in 2026/27 would cost £130 which would exceed the cap and therefore the £10 increase would be mitigated.</p>
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<sup>1</sup> <https://www.monmouthshire.gov.uk/home/counciltaxandbenefits/>

<sup>2</sup> Benefit and pension rates 2026/27 [Benefit and pension rates 2026 to 2027 - GOV.UK](#)

<sup>3</sup> Benefit and pension rates 2026/27 [Benefit and pension rates 2026 to 2027 - GOV.UK](#)

<sup>4</sup> National Minimum Wage Rates [National Minimum Wage and National Living Wage rates - GOV.UK \(www.gov.uk\)](#).

<sup>5</sup> Families and the labour market, 2021 [Families and the labour market, UK - Office for National Statistics \(ons.gov.uk\)](#).

<sup>6</sup> Hours worked by part-time workers, Aug – Oct 2025 [Average actual weekly hours of work for part-time workers \(seasonally adjusted\) - Office for National Statistics \(ons.gov.uk\)](#).

<sup>7</sup> Average household income UK [Average household income, UK - Office for National Statistics \(ons.gov.uk\)](#).

<sup>8</sup> Gross Weekly Pay - All Full Time Workers - Earnings By Residence (NOMIS) [Gross Weekly Pay - All Full Time Workers - Earnings By Residence](#).