

APPENDIX 1: Pressures list as at 28th Nov 2017

Directorates	Complete list of pressures	2017/18 £000	Comments
Corporate	Apprenticeship levy	173	Announcement in the Chancellors Autumn statement last year introduced an Apprenticeship levy on employers from April 2017 to fund the plans to create 3 million new apprenticeship roles by 2020. The levy is 0.5% of an employer's pay bill. The levy payment itself can be converted into an electronic voucher and used to purchase training from recognised providers. Approximately the same amount will be levied from the schools payroll.
	Rate revaluations - MCC	174	Valuation Office assessment of new rateable values from 2017, very uncertain as to whether any appeals would be successful
	Discretionary relief - village halls and other char	0	A request to consider providing full business rate relief to village halls as part of the budget setting process has been made. Such a change would require a change to the policy and would affect more than just village halls and cost approximately £108k. It is recommended that a review of the Policy is undertaken by Select committee in order that any proposals to change the Policy are clearly defined and that the additional benefit and/or cost of any change is made explicit.
	South Wales Fire Authority - population increase	92	South Wales Fire Authority levy is based on population
	Insurance premium tax	40	Increase in rate of this tax as per UK budget
	Levies	23	Notifications received from levying authorities
	Employers costs (pension and staff rep)	156	Part funded from earmarked reserves
	Foundation living wage	20	To honour Authority commitment to pay Foundation living wage. Recent announcement of an increase in Foundation Living wage from £8.25 to £8.45
	Total Corporate pressures	678	
Social Care and Health			
SCH adults	Pay costs to cover bank holidays	90	Part of existing Terms and Conditions
	Increase in residential use	250	There is pressure on the residential budget a notional 50 places is allocated per integrated hub the south team are currently running at 60 plus
	Increase in Living wage impact on social care co	434	National Living wage is projected to reach £9.20 by 2020, this is the effect on social service contracts
	Loss of income due to changes in Charging Policy from the Care Act namely respite treated as non residential and capped a £60 per week	236	Prior to the new charging policy issued by Welsh Government following the Care Act, respite care was chargeable under residential rules i.e. no maximum limit. From 1st April 2016 respite care is now capped at a maximum of £60 per week, meaning previous self funding respite clients not supported by MCC are now approaching us for funding as the maximum they can expect to pay is £60 per week.
	Deprivation of Liberty Safeguards	110	Deprivation of liberty safeguards – increasing numbers with costs attached to staffing of the team, administration and the costs of advocacy. There is no designated budget for this area of work - relates to all of the Directorate
SCH - Childrens	Staffing budget	186	4 temporary posts have been made permanent
SCH - Youth Offending Team	Reduction in grant funding streams	29	MCC share of Youth Justice Board and WG grant funding reductions pressure.
	Legal costs in relation to revocations	180	This is a one off pressure - propose to fund by earmarked reserve rather than add to base budget
SCH - adults	Increase in capital threshold limit from £24k to £30k	501	External factors, very difficult to estimate the cost impact as don't know which clients will now fall within the new limit. Have estimated using lowest weekly rate for resi care and based on no. of new self funded this year to date. Then taken off the new burdens money in the Provisional settlement.
	Total Social Care pressures	2016	

Children and Young People	Pension auto enrolment	0	Pension auto enrolment has been reviewed as the process to auto enrol has been implemented, most Directorates either have budget to cover pension contributions, or many staff opt back out so that the impact has been manageable. Therefore any potential residual pressure has been removed.
	Rate revaluations - Schools	0	Valuation Office assessment of new rateable values from 2017, shows a net increase of £49k across all schools, these will be reviewed and appeals submitted where appropriate
	Total Children and Young People pressures	0	
Operations			
	Waste	311	Increasing contract costs and additional households, no change
	Passenger Transport Unit	30	Additional school transport costs associated with the new Welsh school at Duffryn, no change
	Highways - South Wales Trunk Road Agency	338	Contract now at cost, so pressure in budget
	Total Operations pressures	679	
Resources			
Finance	Summons income, loss of HB grant, Debit and credit card and cashing system fees, budget error	126	Pressures from external sources in the main, outside service control
Digital team	Additional Staff	60	System administrator and system analyst role investment outlined in Cabinet report, part funded from existing budgets
Estates	Property issues	16	2016/17 budget pressure relating to Property rationalisation and community asset transfer
Estates	County farms reduced income following sale	28	Budget for rent needs to reduce as farms are sold
Estates	Markets	70	Mandate for income from markets not deliverable
ICT	Resources mandates - IT	100	Unachievable mandate highlighted as 2016/17 pressure
People services	Resources mandates - HR and training	100	Unachievable mandate highlighted as 2016/17 pressure
People services	Human Resources#]]]] restructure	58	To put in place a sustainable structure following staff turnover as per Cabinet report
ICT	ICT replacement budget and digitisation	50	To provide for a rolling programme of ICT replacement and facilitate digitisation agenda
	Total Resources pressures	608	
Enterprise	Tourism Leisure and Culture - Youth service	200	2016/17 budget pressures
	Toursim Leisure and Culture - Caldicot castle	80	2016/17 budget pressures
	Development plans - Local Development Plan	275	£275k One year pressure only so propose to fund from reserves, need to consider service contribution to reserve for use every LDP cycle.
	Development plans Community Infrastructure Levy	30	£30k one year pressure only, until CIL is up and running when admin costs can be claimed back through CIL monies
	Total Enterprise pressures	585	
Chief Executive Office			
	Legal	25	Income target mandate not deliverable
	Contact centre	30	Blue badges and telephony licences
	Abergavenny Hub	50	Not able to fully deliver mandate without investment in joint building
	Total Chief Executive Office pressures	105	
	TOTAL PRESSURES	4671	
	Reserve funded	-581	
	NET TOTAL PRESSURES	4090	

APPENDIX 1

	2017/18	2018/19	2019/20	2020/21
Summary of Pressures by Directorate	£000s	£000s	£000s	£000s
Children and Young People	0	0	0	0
Corporate	678	58	112	0
Social Care and Health	2016	434	434	0
Operations	679	47	72	0
Resources	608	0	0	0
Enterprise	585	0	0	0
Chief Executive Office	105	0	0	0
TOTAL PRESSURES	4671	539	618	0
One off pressures to be reserve funded	-581	0	0	0
NET TOTAL PRESSURES	4090	539	618	0