

Agenda



Cabinet

Date: Monday, 14 November 2016

Time: 11.00 am

Venue: Committee Room 1 - Civic Centre

To: Councillors D Wilcox (Chair), P Cockeram, G Giles, D Harvey, R Jeavons, R Poole, J Richards, R Truman and M Whitcutt

Item		Wards Affected
1	<u>Agenda - Welsh Version/ Cymraeg</u> (Pages 3 - 4)	
2	<u>Apologies</u>	
3	<u>Declarations of Interest</u>	
4	<u>Minutes</u> (Pages 5 - 12)	
5	<u>Education/ Pupil Performance Data 2014/15 Key Stages 1, 2 and 3</u> (Pages 13 - 28)	All Wards
6	<u>Wellbeing of Future Generations (Wales) Act 2015 - Assessment of Local Well-being</u> (Pages 29 - 38)	All Wards
7	<u>Revenue Budget Monitoring</u> (Pages 39 - 112)	
8	<u>Capital Programme Monitoring and Additions</u> (Pages 113 - 126)	All Wards
9	<u>Work Programme</u> (Pages 127 - 134)	All Wards

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Agenda

Cabinet

Dyddiad: 14/11/16

Amser: 11:00 am

Lleoliad: Ystafell Bwyllgor 1 - Y Ganolfan Ddinesig

At: Cynghorwyr D Wilcox (Cadeirydd), P Cockeram, G Giles, D Harvey, R Jeavons, R Poole, J Richards, R Truman, M Whitcutt

Eitem		Wardiau Dan Sylw
1	<u>Agenda Cym</u>	
2	<u>Ymddiheuriadau</u>	
3	<u>Datganiadau Diddordeb</u>	Pob Ward
4	<u>Cofnodion</u>	
5.	<u>Addysg a Pherfformiad disgyblion: Cyfnod Allweddol 1,2&3</u>	Pob Ward
6	<u>Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015</u>	Pob Ward
7	<u>Cyllideb referniw</u>	Pob Ward
8	<u>Rhaglen Gyfalaf</u>	Pob Ward
9	<u>Rhaglen Waith</u>	Pob Ward

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Minutes



Cabinet

Date: 17 October 2016

Time: 11.00 am

Present: Councillors D Wilcox (Chair), P Cockeram, G Giles, D Harvey, R Jeavons, J Richards, R Truman and M Whitcutt

In Attendance: Mr W Godfrey (Chief Executive); Mr M Nicholson (Strategic Director); Mr G D Price (Head of Law and Regulation) ; Mr M Rushworth (Head of Finance); Mr R Cornwall (Head of People & Business Change)

Apologies: Councillor R Poole

1 **Declarations of Interest**

There were no declarations of interest by cabinet members

2 **Minutes**

The minutes of the meeting held on 12 September 2016 were confirmed as a true record by the Cabinet

3 **WAO Corporate Assessment - Review of Progress and Corporate Assessment Follow-up Recommendations 2015-16**

Colleagues from the Wales Audit Office presented a report which set out the outcomes of the Review of progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations.

The Corporate Assessment in 2013 examined the council's capability to deliver its priorities and improved outcomes for citizens. In the Corporate Assessment Review 2014/15 the Wales Audit Office considered whether the council had made good progress in addressing the recommendations and proposals for improvement made since the full Corporate Assessment report was published.

The Cabinet was informed that the review of progress made in 2015/16 had reduced the number of recommendations to four and there were three proposals for improvement. Good collective leadership was recognised by WAO colleagues and good examples were reported. Quality of performance data was improving. Workforce planning was improving and a positive staff survey was recognised. More needed to be done for a strategic workforce plan. The value of Scrutiny was now being recognised and further work needed to be done. The value of independent involvement at Scrutiny was raised by Cabinet Members.

The WAO determined that 'The Council has made progress against all the recommendations made in our Corporate Assessment follow-up report, but some further work remains to ensure these are addressed fully'

The Leader stated that the report was positive, whilst at the same time recognising room for improvement. Cabinet Members stressed that they took the WAO reporting very seriously and sought to address issues raised in detail. The Council continued to strive to improve despite changes in demographics and ongoing austerity. The Leader stated that improvement was against the background of the Council spending £7.4m per year less than the Council 'Standard Spending Assessment' – the amount deemed as required to provide 'standard' level of services to its residents. Newport also has one of the lowest Council Tax rates in the UK.

Proposed accountability and monitoring arrangements for the implementation of recommendations and proposals for improvement were also set out in the report

Decisions:

- I. To accept the findings of the Auditor General in his Review of progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations
- II. To endorse the Statement of Response to the Recommendations
- III. To endorse the accountability and monitoring arrangements for the implementation of recommendations and proposals for improvement
- IV. To receive quarterly monitoring reports on the progress towards recommendations and proposals for improvement

4 WAO Financial Resilience Review

Colleagues from the Wales Audit Office (WAO) presented a report which stated that as part of the 2015/16 Performance Audit work-plan, the WAO had completed a review of all Welsh Local Authorities 'Financial Resilience' arrangements. This followed some of their concerns, across Wales, about the rigour and robustness of Council's Medium Term Financial Plans and ability to deliver on budgeted savings which culminated in their national report "The financial resilience of Councils in Wales" in April 2015.

The review focussed on: Financial planning arrangements; financial control arrangements, including delivery of savings; and financial governance arrangements

For each of the above areas, the WAO gave a risk rating following their review. The basis of the risk analysis was set out in the report to the Cabinet. The full report was presented to the Cabinet. The report highlighted on-going improvements made over the last few years and areas for improvement. In terms of the risk rating, all three areas mentioned above were assessed as 'Medium'.

The lack of a balanced medium term financial plan was highlighted by the Cabinet Member for Finance and Resources. It meant that the best rating on the financial planning area can only be a 'medium' score. The WAO report acknowledged that this is the position in most Welsh Local Authorities (and would also be the case across the UK) and the on-going lack of information on medium term funding support from Welsh Government was recognised as a significant barrier to balancing medium term plans

Cabinet Members were informed that the Head of Finance and his accountancy team had considered the report, its findings and recommendations and had developed an action plan of improvements. The action plan was set out in full in the report. Cabinet Members were informed that some of the actions were 'in progress' anyhow and now already implemented. The recommendations in the report were useful and helped in the development of the action plan.

Decisions:

To approve the action Plan to address some of the key findings

5 Year-end Performance Analysis for 2015/16

The Leader of the Council introduced a report informing Cabinet that each year analysis of our performance measures is undertaken. The report showed:

- 55% of measures have performed better than target.
- 52.5% of our service plan measures have performed better than last year.
- 40% of our service plan measures have performed better than Wales's average.

A report prepared by the Head of People & Business Change stated that Newport had continued to improve performance in national measures despite a backdrop of budget cuts and limited resources.

The improvements reflected significant efforts made in service areas within the Council. It was important to note that these comparator figures do not take into consideration the potential impacts of financial position, population demographics or service demands. As mentioned earlier in the meeting, Newport Council has historically low levels of spending. Currently, we spend £7.4m per year less than the Council 'Standard Spending Assessment' (SSA)

The Leader of the Council stated that Cabinet Members and Heads of Service would be asked to address areas where our assessment shows that improvement has slowed. The Leader stated that the aim of the Council and Cabinet remains to provide the best possible affordable services to the people of Newport and Cabinet Members and officers will strive to continue on our path of improvement in coming years.

Performance management arrangements had been improved with regular monitoring by the Cabinet and Cabinet Members as well at officer level. The Authority had made its targets more difficult to achieve in an effort to push the organisation into improving services. Most indicators in the bottom quartile were improving. In terms of comparators, not all authorities were using consistent methods of measuring.

Decisions:

To note the contents of the report

6 5 Year Welsh Language Strategy

The Cabinet Member for Finance and Resources introduced a report informing the Cabinet that the Council is required to produce, and publish on the website, a five-year strategy that sets out proposals to promote the Welsh language and to facilitate the use of the Welsh language more widely in the area.

A draft strategy was presented to the Cabinet. The Cabinet Member stated that the strategy will be further developed through consultation with partners and the community before being finalised and reported to Council. He informed Cabinet that the aim of the strategy is to 'promote the Welsh language and facilitate the use of the Welsh language.

The Cabinet Member stated that the proposed five – year target was to increase the number of Newport pupils in Welsh medium education from 892 in 2016/17, to 1,250 or more in 2022/23. This represented a growth from 3.9% of the school age population to 5%. The

target was based on filling the reception classes of the three Welsh medium primary schools to their capacity for the next 5 years.

The Cabinet Member informed his colleagues that the strategy is required to include a target relating to Welsh speakers in Newport. He said the target focuses on the number of children attending Welsh medium education, as this is measurable and because we believe that we can influence this.

Consultation would also take place on how to develop people's opportunities to use Welsh throughout their lives although this is likely to take longer than 5 years.

The strategy also considers language transfer in families, Welsh for the workplace and other aspects of planning. In this strategy we reference the Welsh Government's aim in their draft strategy '1 Million Welsh Speakers by 2050'.. The strategy development also coincides with the development of the Welsh in Education Strategic Plan for Newport which will be out to consultation shortly.

One of the Wellbeing of Future Generations Act's seven wellbeing goals is 'A Wales of vibrant cultures and thriving Welsh language.' The Cabinet Member said that the strategy contributes to the council's Future Generations work and will be considered in forming the Council's Wellbeing Objectives for March 2017.

The cabinet member explained that during the consultation period we will be engaging with people across Newport, with our partners, other organisations and Members. The final Strategy will be taken to full Council for approval. Progress will be monitored through the annual reports, with full review at the end of the strategy term.

Decisions:

To approve the draft strategy for consultation purposes and receive a further report following the consultation process

7 Work Programme

The Corporate Assessment suggested to the Council that it should consider strengthening committee work programming arrangements to ensure they are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.

In response to that suggestion, Cabinet had previously agreed that the Head of Democratic Services will regularly ask Chief Officers to update the Cabinet work programme and an update will be reported to Cabinet each month.

An updated work programme suggested by Chief Officers was discussed. This was, of course, a working document and will be subject to change.

Decision:

To adopt the suggested programme and provide an update at the next meeting

8 Exclusion of the Press and Public

Decision:

To exclude the press and public during consideration of the following item on the grounds that its consideration involved the likely disclosure of exempt information as defined in

schedule 12 A of the Local Government Act 1972 (as amended) and the exemption outweighs the public interest in disclosure.

9 **City Centre Regeneration Update**

Cabinet Members received a presentation which provided an update on progress in relation to the regeneration of the city centre

Decisions:

- I. To agree proposed actions as required
- II. To receive a further update and to consider outstanding issues at a future meeting

The meeting terminated at 1:10 pm

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Minutes



Cabinet

Date: 28 October 2016

Time: 2.00 pm

Present: Councillors D Wilcox (Chair), P Cockeram, G Giles, D Harvey, R Jeavons, R Poole, J Richards, R Truman and M Whitcutt

1. Exclusion of the Press and Public

Decision:

To exclude the press and public during consideration of the following item on the grounds that its consideration involved the likely disclosure of exempt information as defined in schedule 12 A of the Local Government Act 1972 (as amended) and the exemption outweighs the public interest in disclosure.

2. City Centre Regeneration: Friar's Walk

Cabinet received confidential financial and legal advice regarding a number of options for the sale or re-financing of Friars Walk

Decisions:

That the preferred option for the sale of Friars Walk be agreed on the basis of the proposals outlined at the meeting;

That the Head of Finance and Head of Law and Regulation be authorised to agree the detailed terms and finalise the necessary documentation for the delivery of the preferred option

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Report

Cabinet

Part 1

Date: 19 October 2016

Subject Education/ Pupil Performance Data 2014/15 Key Stages 1, 2 and 3

Purpose To report the outcome regarding pupil performance for Foundation Phase, Key Stage 2 and Key Stage 3 at the end of the academic year 2014/15 for schools in Newport and to discuss issues arising.

Author Chief Education Officer

Ward General

Summary The report provides combined pupil performance data for Newport schools at Foundation Phase, Key Stage 2 and 3. The report highlights the expected levels of achievement at the end of the foundation phase, key stage 2 and 3. The data also provides comparisons between gender achievement levels and compares performance with the national average for Wales.

Proposal Cabinet are asked to:

1. To acknowledge the position regarding pupil performance and progress made.
2. To consider any issues arising that the Cabinet may wish to draw to the attention of the Chief Education Officer .

Action by Chief Education Officer

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Regulation – Monitoring Officer
- Head of Finance – Chief Financial Officer
- Head of People and Business Change
- Strategic Director (People)
- Cabinet Member for Education and Young People

Background

The report provides combined pupil performance data for Newport schools at Foundation Phase, Key Stage 2 and 3. The report highlights the expected levels of achievement at the end of the foundation phase, key stage 2 and 3. The data also provides comparisons between gender achievement levels and compares performance with the national average for Wales.

2016 End of Key Stage

Teacher Assessment Outcomes and National Test results

Newport

All schools are subject to rigorous reporting and monitoring of standards each year, with the principal focus in key stages 2 and 3 being on English/Welsh first language, mathematics and science, and the percentage of pupils achieving the expected level in all three core subjects (core subject indicator – CSI).

In the Foundation Phase (formerly key stage 1), following the implementation of a revised curriculum, schools reported for the first time in 2012 on the performance of 7 year olds in language, literacy and communication (English or Welsh language) (LLC), mathematical development (MD), and personal and social development, wellbeing and cultural development (PSDWCD). The foundation phase indicator (FPI) measures the percentage achieving the expected outcome in all three areas of learning.

Whilst assessment of LLC and MD is broadly comparable to performance in English/Welsh and mathematics at KS2 and KS3, PSDWCD is not the same as science. Instead it provides a holistic assessment of pupils' wellbeing and the extent to which they are able to inter-relate appropriately with those around them. It also reflects a growing awareness of culture and diversity and of the environment in which they live. As such, it is an important measure of their overall 'readiness' for learning. Achievement in each of LLC, MD and PSDWCD is measured in relation to one of six 'outcome' descriptors.

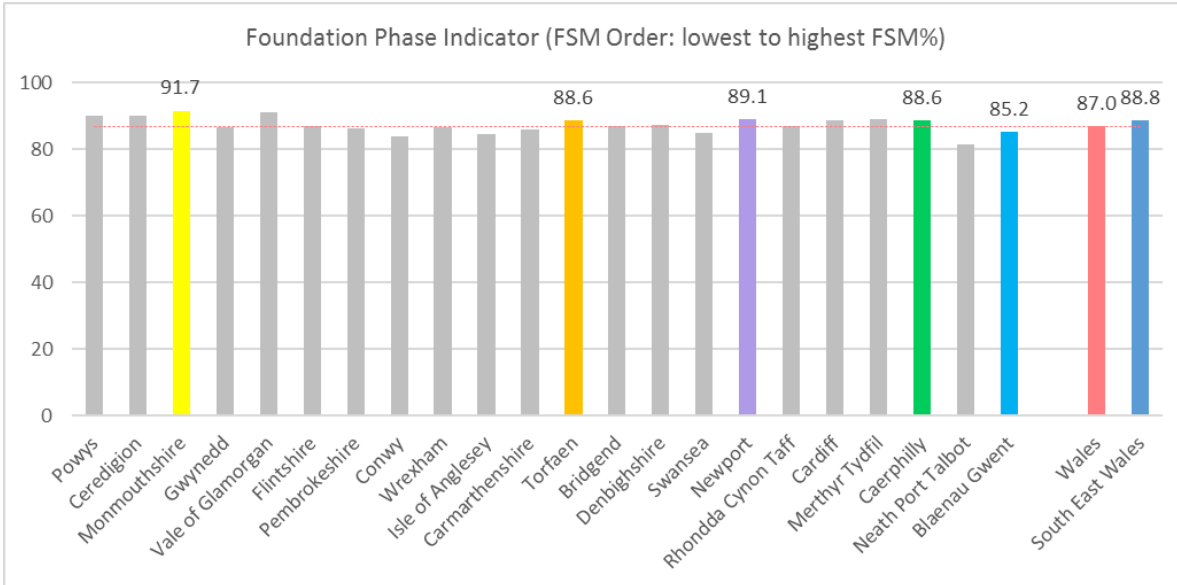
Expected levels of achievement at the end of foundation phase, key stage 2 and key stage 3:

The 'average' pupil is expected to achieve outcome 5 by the end of the foundation phase (formerly national curriculum level 2), with more able pupils achieving outcome 6 (formerly level 3). At the end of key stages 2 and 3, the 'average' pupil is expected to achieve level 4 and above and level 5 and above respectively and more able pupils are expected to achieve level 5 and 6 respectively.

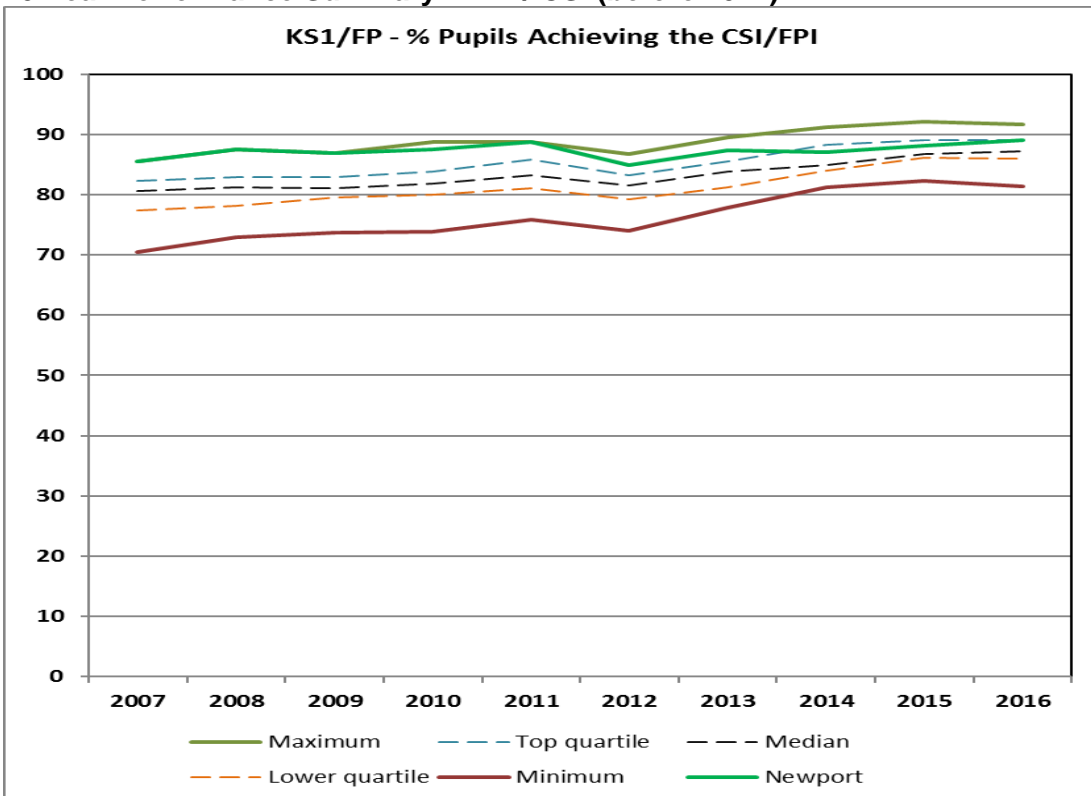
Cohort sizes	Number of pupils	1 pupil represents
Foundation Phase	1,873	0.05%
Key Stage 2	1,727	0.06%
Key Stage 3	1,645	0.06%

1. Foundation Phase

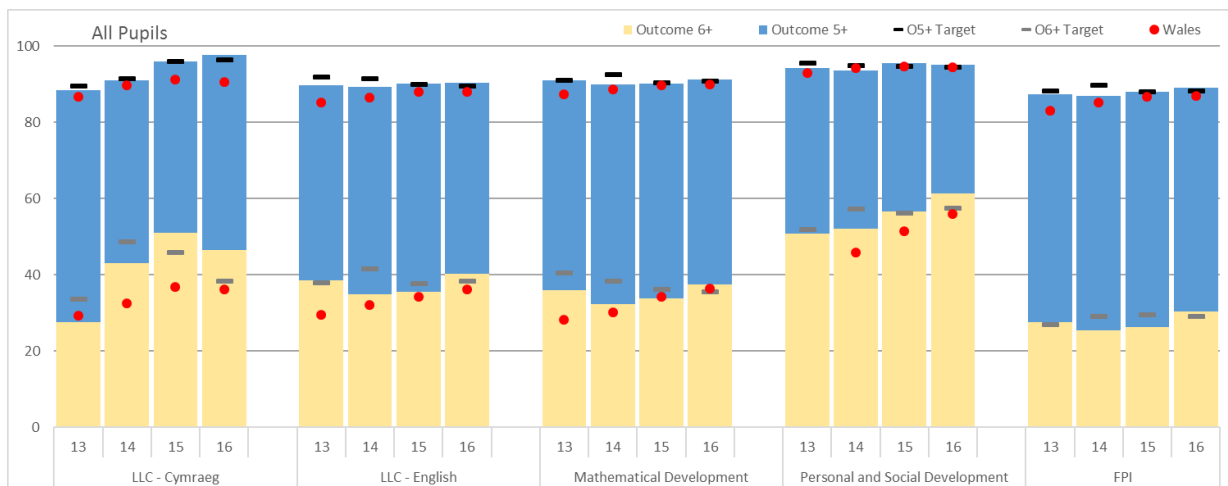
Performance in the foundation phase improved from 88.1% in 2015, to 89.1% pupils achieving the foundation phase indicator (FPI) in 2016, an increase of 1 percentage point. Newport currently ranks 6th in Wales for the FPI when compared with other local authorities, which is above the LA's FSM ranking (16th, 2016 PLASC data), and above the rank position of 8th in 2015.



10 Year Performance Summary – FPI / CSI (before 2012)



There have been improvements at the expected level (outcome 5+) in all areas except PSD. At the higher outcome (outcome 6+) there have been improvements in all areas except LLC Cymraeg.



Percentage of pupils achieving Outcome 5+:

	FPI	LLC English	LLC Welsh	Mathematical Development	PSD
Newport 2016	89.1 ↑	90.4 ↑	97.7 ↑	91.3 ↑	95.2 ↓
Target	88.3	89.5	96.5	90.9	94.6
Newport 2015	88.1	90.2	95.9	90.2	95.6
Wales 2016	87.0	88.0	90.7	89.9	94.5

Percentage of pupils achieving Outcome 6+:

	LLC English	LLC Welsh	Mathematical Development	PSD
Newport 2016	40.2 ↑	46.5 ↓	37.4 ↑	61.3 ↑
Target	38.4	38.4	35.6	57.6
Newport 2015	35.6	51.0	33.8	56.7
Wales 2016	36.2	36.2	36.4	58.9

Performance in the Foundation Phase Indicator improved by 1 percentage point and is now ranked 6th in Wales.

Performance in LLC English improved slightly by 0.2 percentage points at outcome 5+ but has improved by 4.6 percentage points at outcome 6. Performance is ranked 5th in Wales at outcome 5+.

Performance in LLC Welsh has improved by 1.8 percentage points at outcome 5+ but has declined by 4.5 percentage points at outcome 6. Performance is ranked 1st in Wales at outcome 5+.

Performance in mathematical development has improved by 1.1 percentage points at outcome 5+, and has improved by 3.6 percentage points at outcome 6+. Performance is ranked 9th in Wales at outcome 5+.

Performance in PSDWCD has declined by 0.4 percentage point at outcome 5+ but has improved by 4.6 percentage points at outcome 6+. Performance is ranked 7th in Wales at outcome 5+.

Performance has exceeded schools' aggregate targets for each area of learning.

Gender differences at outcome 5+ (boys' performance – girls' performance):

	FPI		LLC English		LLC Welsh		Mathematical Development		PSD	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-7.4	-8.1	-5.8	-7.8	-9.8	-1.0	-5.7	-5.4	-4.3	-4.8
Wales	-7.8	-8.2	-7.6	-8.3	-7.6	-7.0	-6.7	-5.3	-4.8	-5.3

At outcome 5+ gender differences have increased in all indicators except LLC Welsh and MD. The gender gap is broadly in line with the national average at MD.

Gender differences at outcome 6 (boys' performance – girls' performance):

	LLC English		LLC Welsh		Mathematical Development		PSD	
	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-12.6	-9.0	-8.0	5.8	-0.3	2.8	-19.4	-17.9
Wales	-13.2	-11.7	16.2	-15.1	-1.1	0.1	-19.3	-18.3

At outcome 6+ gender differences have decreased in all indicators. The gender gap is narrower than the national average for all indicators.

Wales rankings:

When compared with other LAs in Wales, performance in Newport is higher than could be expected for each area of learning. Ranks positions have improved at all indicators.

	FPI	LLC English	LLC Welsh	Mathematical Development	PSDWCD
2016	6	5	1	9	7
2015	8	7	2	10	9
2014	8	=6	9	9	17

FPI		LLC - English		LLC - Welsh		Math. Dev.		PSD	
Monmouthshire	91.7	Monmouthshire	93.1	Newport	97.7	Vale of Glamorgan	94.2	Ceredigion	97.1
Vale of Glamorgan	91.2	Ceredigion	92.7	Blaenau Gwent	96.3	Monmouthshire	93.8	Vale of Glamorgan	96.6
Powys	90.3	Vale of Glamorgan	92.7	Merthyr Tydfil	95.1	Ceredigion	92.8	Monmouthshire	96.6
Ceredigion	90.2	Powys	91.4	Rhondda Cynon Taff	94.8	Powys	91.8	Powys	96.3
Merthyr Tydfil	89.1	Newport	90.4	Vale of Glamorgan	94.7	Torfaen	91.5	Gwynedd	95.5
Newport	89.1	Torfaen	90.4	Powys	93.8	Merthyr Tydfil	91.4	Torfaen	95.3
Cardiff	88.9	South East Wales	90.3	Monmouthshire	93.8	Caerphilly	91.4	Newport	95.2
South East Wales	88.8	Caerphilly	90.1	South East Wales	93.4	South East Wales	91.3	Merthyr Tydfil	95.1
Caerphilly	88.6	Merthyr Tydfil	90.0	Cardiff	93.1	Cardiff	91.3	South East Wales	95.0
Torfaen	88.6	Cardiff	89.6	Caerphilly	92.6	Newport	91.3	Denbighshire	94.9
Denbighshire	87.5	Bridgend	88.6	Bridgend	92.5	Denbighshire	90.3	Cardmarthenshire	94.8
Rhondda Cynon Taff	87.2	Flintshire	88.4	Neath Port Talbot	92.2	Gwynedd	90.3	Cardiff	94.8
Bridgend	87.1	Pembrokeshire	88.2	Swansea	92.0	Flintshire	90.2	Swansea	94.7
Wales	87.0	Denbighshire	88.0	Torfaen	91.9	Rhondda Cynon Taff	90.0	Rhondda Cynon Taff	94.6
Flintshire	86.9	Wales	88.0	Ceredigion	90.9	Wales	89.9	Flintshire	94.5
Gwynedd	86.8	Wrexham	87.9	Wales	90.7	Pembrokeshire	89.8	Wales	94.5
Wrexham	86.6	Isle of Anglesey	87.9	Cardmarthenshire	90.2	Cardmarthenshire	89.6	Bridgend	94.3
Pembrokeshire	86.5	Rhondda Cynon Taff	87.7	Denbighshire	89.6	Bridgend	89.5	Caerphilly	94.3
Cardmarthenshire	85.9	Blaenau Gwent	87.1	Gwynedd	88.7	Wrexham	89.5	Blaenau Gwent	94.2
Blaenau Gwent	85.2	Conwy	86.8	Wrexham	88.4	Swansea	88.4	Wrexham	94.0
Swansea	85.0	Swansea	85.6	Pembrokeshire	88.3	Blaenau Gwent	88.3	Conwy	94.0
Isle of Anglesey	84.7	Cardmarthenshire	83.0	Flintshire	88.1	Conwy	88.0	Pembrokeshire	93.9
Conwy	83.9	Neath Port Talbot	81.4	Isle of Anglesey	86.2	Isle of Anglesey	87.9	Isle of Anglesey	93.7
Neath Port Talbot	81.4	Gwynedd	52.2	Conwy	84.5	Neath Port Talbot	84.1	Neath Port Talbot	90.8

Foundation Phase Summary Statement and Next Steps:

Foundation Phase attainment at all levels remains very strong in Newport. The performance of LLC Welsh although very strong has a tendency to fluctuate due to very small numbers of pupils within the cohort (72 within a wider cohort of 1873 pupils). It is unlikely that Newport's Foundation Phase Indicator will rise more than a few percentage points over the next three years (as it is already very high). The remaining number of pupils within the cohort have statements of Special Education Needs, although the types of needs vary depending on the cohort. This means that while all pupils should make progress, they may not achieve the 'expected' Foundation Phase Indicator. There is further scope to improve all Outcome 6 indicators.

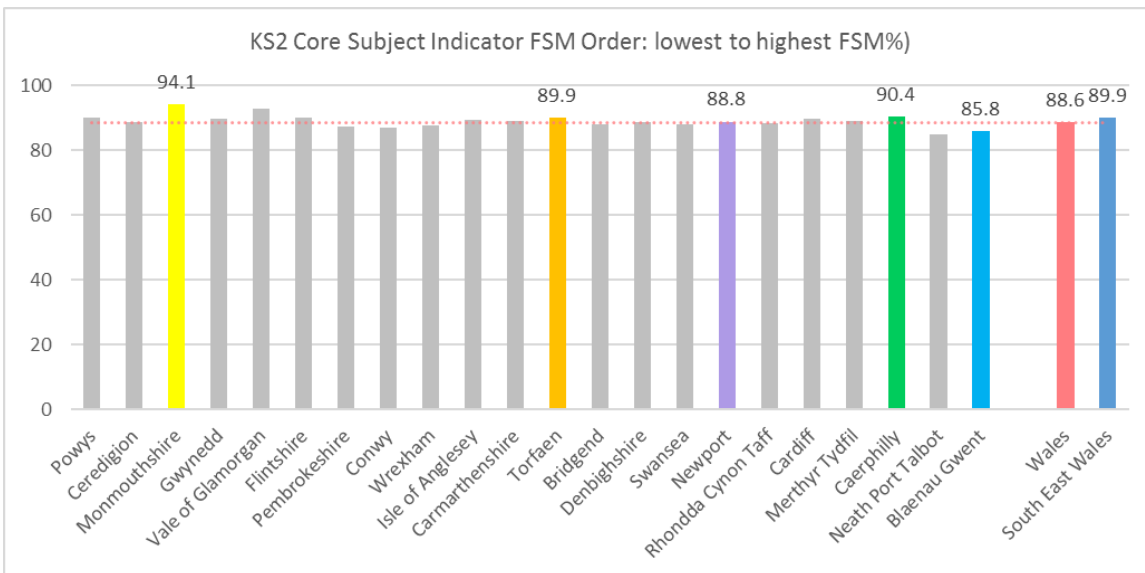
To ensure that Newport sustains very strong outcomes at Foundation Phase, the following programmes and actions are have been agreed by the Local Authority and will be delivered by the EAS:

- Improving effective literacy teaching through the 'Communication Matters' teacher training programme.
- Developing purposeful provision for More Able and Talented learners through the Bright Sparks project.

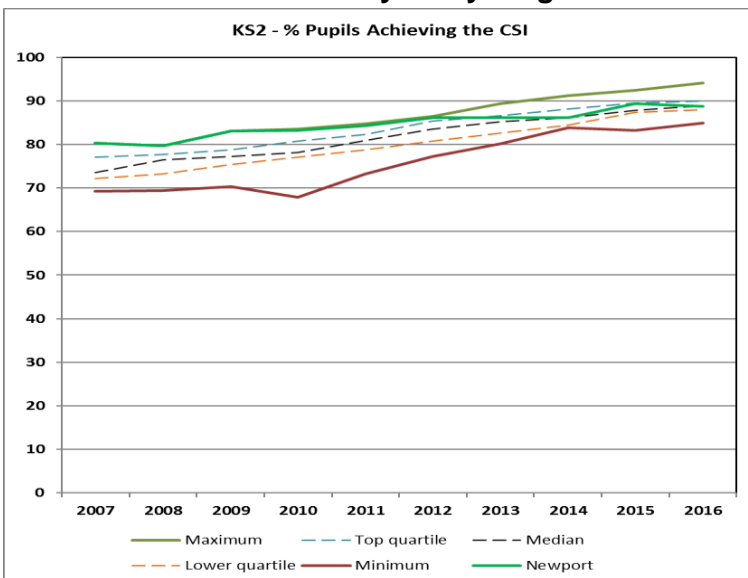
- Developing scientific skills and the application of literacy and numeracy via the ‘Inspiring Investigators’ programme.
- Engaging boys and developing rich tasks through Block Play.
- Promoting independent learning through the Foundation Phase environment.
- Supporting Foundation Phase moderation and Teacher Assessment to support pupil attainment and transition into year 3.
- Sustaining good quality intervention; ensuring that assessment data is used robustly to identify and assess progress made by pupils and those at risk of underachievement.
- Developing and sustaining effective leadership in Foundation Phase through termly network meetings, the ‘Aspiring Leaders’ project and targeting successful learners to build capacity via the self-improving school system.

Key Stage 2

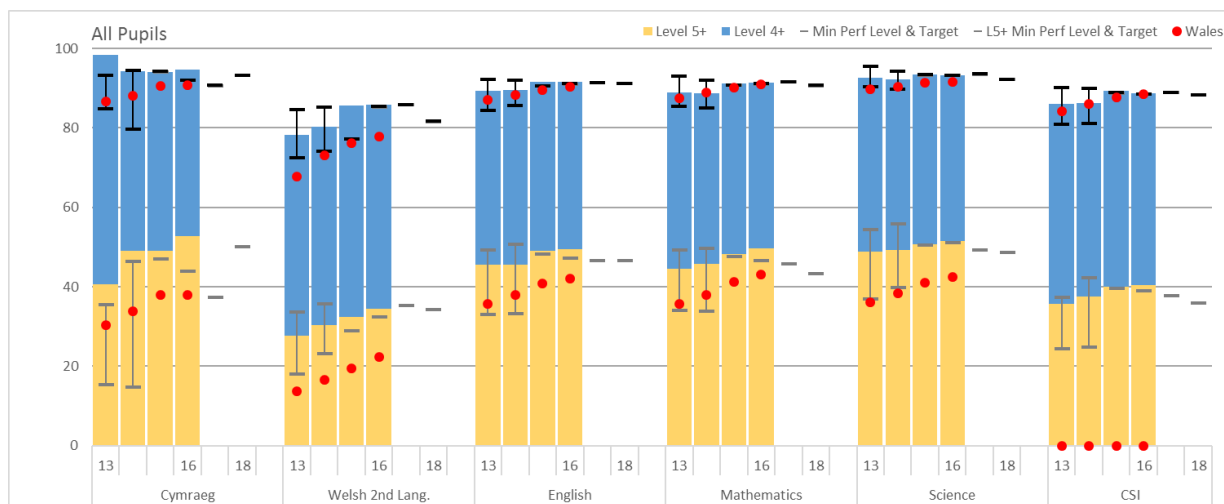
Performance declined slightly in 2016, with 88.8% pupils achieving the core subject indicator (CSI), 0.5 percentage points below 89.3% in 2015. Newport is ranked 12th in Wales, which is higher than could be expected given the LA’s FSM ranking.



Year Performance Summary – Key Stage 2 CSI



Performance at the expected level (4+) and expected level+1 (5+) has improved in all areas except CSI.



Percentage of pupils achieving level 4+:

	CSI	English	Welsh (First Language)	Mathematics	Science
Newport 2016	88.8 ↓	91.7 ↑	94.6 ↑	91.3 ↑	93.2 ↓
Target	88.4	91.0	92.0	91.0	93.2
Newport 2015	89.3	91.5	94.1	91.2	93.4
Wales 2016	88.6	90.3	90.8	91.0	91.7

Percentage of pupils achieving level 5+:

	English	Welsh (First Language)	Mathematics	Science
Newport 2016	49.5 ↑	52.7 ↑	49.6 ↑	51.5 ↑
Target	47.1	44.0	46.5	51.2
Newport 2015	49.0	49.0	48.3	50.8
Wales 2016	42.0	38.0	43.2	42.5

Performance in the CSI has declined by 0.5 percentage points and is ranked 12th in Wales.

Performance in English at the expected level 4+ has improved by 0.2 percentage points and is ranked 4th in Wales. Performance at the higher level 5+ has improved by 0.5 percentage points.

Performance in Welsh (first language) at the expected level 4+ has improved by 0.5 percentage points and is ranked 7th in Wales. Performance in Welsh (first language) at the higher level 5+ has improved by 3.7 percentage points.

Performance in mathematics at the expected level 4+ has improved slightly by 0.1 percentage points and is ranked 11th in Wales. Performance in mathematics at the higher level 5+ has improved by 1.3 percentage points.

Performance in science at the expected level 4+ has declined by 0.2 percentage points and is ranked 5th in Wales. Performance in science at the higher level 5+ has improved by 0.7 percentage points.

Performance at the expected level 4+ and expected level +1 (5+) for all indicators met or exceeded all of the school aggregate targets.

Gender differences at level 4+ (boys' performance – girls' performance):

	CSI		English		Welsh (First Language)		Mathematics		Science	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-7.1	-5.1	-6.2	-5.6	-11.5	-6.0	-4.8	-3.3	-3.5	-2.3
Wales	-5.8	-5.2	-6.2	-5.6	-6.0	-5.2	-3.7	-3.2	-3.7	-3.6

At level 4+ gender differences have decreased in each subject area. Gender differences are wider than the national gender differences in Welsh and broadly in line in maths.

Gender differences at level 5+ (boys' performance – girls' performance):

	English		Welsh (First Language)		Mathematics		Science	
	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-13.8	-11.1	-21.5	-34.9	-0.9	0.8	-6.4	-3.2
Wales	-12.9	-12.0	-12.6	-13.8	-6.0	0.7	-3.8	-3.6

At level 5+ gender differences have decreased for all subjects except Welsh. The gender gap is wider than the national average in Welsh.

Wales rankings:

Static performances have resulted in a decline in the LA's rankings against other LAs in Wales for CSI, Welsh and maths, but remains in line with or higher than could be expected for all indicators given the LA's FSM ranking.

	CSI	English	Welsh (first language)	Mathematics	Science
2016	12 ↓	4 ↑	7 ↓	11 ↓	5 →
2015	7 ↑	5 ↑	5 ↓	8 ↑	5 ↑
2014	=11 ↓	8 ↓	3 ↓	=12 ↓	6 ↓

CSI		English		Welsh 1st Lang.		Mathematics		Science	
Monmouthshire	94.1	Monmouthshire	95.9	Torfaen	97.9	Monmouthshire	95.2	Monmouthshire	97.2
Vale of Glamorgan	92.7	Vale of Glamorgan	93.8	Cardiff	96.1	Vale of Glamorgan	94.6	Vale of Glamorgan	95.1
Caerphilly	90.4	Caerphilly	92.4	Vale of Glamorgan	95.8	Flintshire	92.3	Gwynedd	93.3
Powys	90.2	South East Wales	91.9	Powys	95.6	Powys	92.1	South East Wales	93.2
Flintshire	90.1	Newport	91.7	Merthyr Tydfil	95.5	Caerphilly	92.0	Caerphilly	93.2
Torfaen	89.9	Powys	91.5	Monmouthshire	95.1	Merthyr Tydfil	92.0	Newport	93.2
South East Wales	89.9	Flintshire	91.2	Newport	94.6	South East Wales	91.7	Isle of Anglesey	92.9
Gwynedd	89.8	Carmarthenshire	91.1	Bridgend	94.3	South East Wales	91.7	Powys	92.9
Cardiff	89.5	Merthyr Tydfil	91.1	Rhondda Cynon Taff	93.9	Gwynedd	91.5	Carmarthenshire	92.8
Isle of Anglesey	89.4	Torfaen	91.1	Neath Port Talbot	93.4	Cardiff	91.4	Flintshire	92.8
Merthyr Tydfil	89.2	Cardiff	91.0	Swansea	93.2	Torfaen	91.4	Denbighshire	92.7
Carmarthenshire	89.0	Gwynedd	90.9	South East Wales	93.1	Newport	91.3	Torfaen	92.7
Newport	88.8	Wales	90.3	Wrexham	92.5	Rhondda Cynon Taff	91.3	Wales	91.7
Ceredigion	88.7	Denbighshire	90.2	Caerphilly	91.8	Denbighshire	91.2	Ceredigion	91.6
Denbighshire	88.6	Isle of Anglesey	90.1	Wales	90.8	Isle of Anglesey	91.2	Cardiff	91.6
Wales	88.6	Ceredigion	90.1	Denbighshire	90.5	Wales	91.0	Rhondda Cynon Taff	91.6
Rhondda Cynon Taff	88.5	Rhondda Cynon Taff	90.0	Ceredigion	89.5	Ceredigion	90.6	Bridgend	91.5
Swansea	88.2	Wrexham	90.0	Gwynedd	89.2	Wrexham	90.3	Merthyr Tydfil	91.4
Bridgend	87.9	Swansea	90.0	Carmarthenshire	88.5	Bridgend	90.2	Pembrokeshire	91.2
Wrexham	87.7	Pembrokeshire	89.8	Isle of Anglesey	88.0	Conwy	90.0	Wrexham	90.8
Pembrokeshire	87.1	Bridgend	89.7	Conwy	87.3	Pembrokeshire	90.0	Conwy	90.7
Conwy	86.8	Conwy	88.1	Pembrokeshire	84.5	Swansea	89.9	Swansea	90.6
Blaenau Gwent	85.8	Blaenau Gwent	87.6	Flintshire	84.3	Neath Port Talbot	88.4	Blaenau Gwent	89.2
Neath Port Talbot	84.9	Neath Port Talbot	87.0	Blaenau Gwent	81.8	Blaenau Gwent	88.0	Neath Port Talbot	88.4

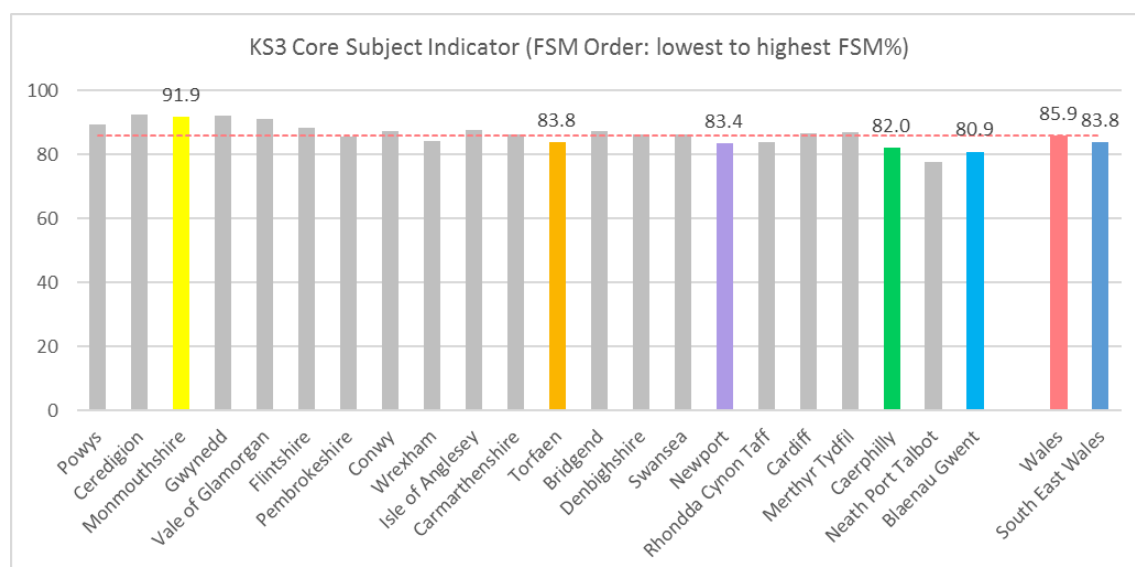
Key Stage 2 Summary Statement and Next Steps:

Key Stage 2 performance remains very strong in Newport with all indicators above the Welsh average. It is unlikely that the Key Stage 2 CSI will improve by more than a three percentage points in the next three years. Most of the remaining number of pupils within a cohort have statements of Special Education Needs or have English as an Additional Language. These factors do not prevent pupils from making progress but can prevent individual pupils from attaining the national 'expected level'. In order to sustain Newport's strong Key Stage 2 performance the following actions have been agreed by the local authority and will be delivered by the EAS:

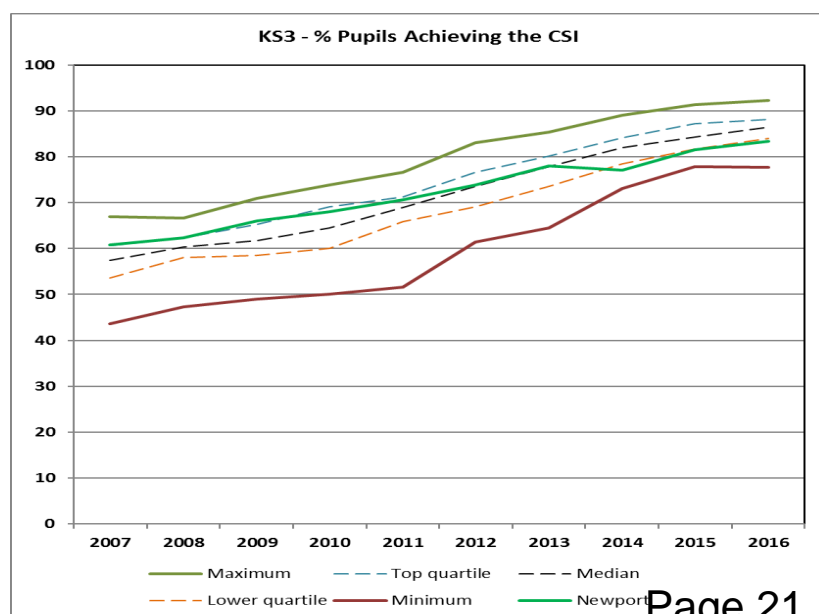
- The 'Excellence in Teaching' programme, improving pedagogy across the city. This includes a specific focus on pupils in receipt of Free School Meals who may be disadvantaged.
- Developing effective curriculum transition from years 5 onwards. This can also be noted in the Local Authority 'Seamless Learning Pathway' project.
- Developing an effective and meaningful curriculum ready for implementation in 2021 (pioneer schools project to meet the Donaldson Review recommendations).
- Effective moderation arrangements to secure accurate Teacher Assessment of Key Stage 2 at all levels.
- Intensive support for literacy, numeracy and leadership in schools where performance is consistently below median position.
- Peer review groups for green schools to self-sustain excellence.

Key Stage 3

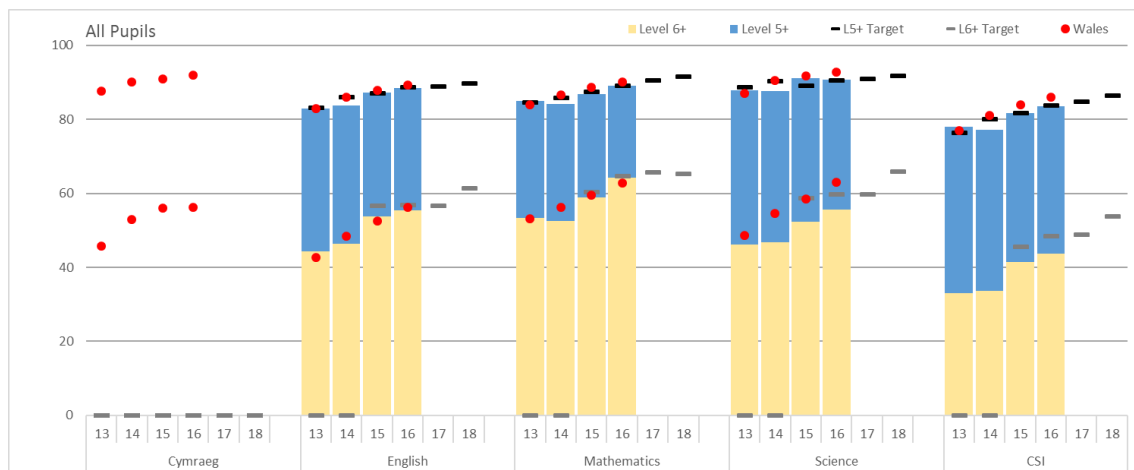
Performance has improved, with 83.4% pupils achieving the core subject indicator (CSI), an increase of 1.8 percentage points from 81.6% in 2015. Newport is ranked 19th in Wales.



10 Year Performance Summary – Key Stage 3 CSI



Performance has improved across all indicators at both the expected level 5+ and level 6+ except for science L5+.



Percentage of pupils achieving level 5+

	CSI	English	Welsh (First Language)	Mathematics	Science
Newport 2016	83.4 ↑	88.3 ↑	- →	89.0 ↑	90.7 ↓
Target	83.7	88.7	-	89.0	90.5
Newport 2015	81.6	87.2	-	86.7	91.1
Wales 2016	85.9	89.2	92.0	90.1	92.8

Percentage of pupils achieving level 6+

	English	Welsh (First Language)	Maths	Science
Newport 2016	55.4 ↑	- →	64.3 ↑	55.6 ↑
Target	56.8	-	64.7	59.8
Newport 2015	53.8	-	58.8	52.4
Wales 2016	56.2	56.2	62.8	63.0

Percentage of pupils achieving level 7+

	English	Welsh (First Language)	Maths	Science
Newport 2016	16.5 ↑	- →	28.0 ↑	18.7 ↑
Newport 2015	14.6	-	25.0	17.2
Wales 2016	18.5	18.5	28.6	23.6

Performance in the CSI has improved by 1.8 percentage points and is ranked 19th in Wales, slightly down from 18th in 2015.

Performance in English at the expected level 5+ has improved by 1.1 percentage points and is ranked 15th in Wales. Performance in English at the higher level 6+ has improved by 1.6 percentage points.

Performance in mathematics at the expected level 5+ has improved by 2.3 percentage points and is ranked 17th in Wales. Performance in mathematics at the higher level 6+ has improved by 5.5 percentage points.

Performance in science at the expected level 5+ has declined by 0.4 percentage points and is ranked 19th in Wales. Performance in science at the higher level 6+ has improved by 3.2 percentage points.

Performance at the expected Level 5+ was less than 1 percentage point below school aggregate targets and science exceeded the target.

Gender differences at level 5+ (boys' performance – girls' performance):

	CSI		English		Welsh (First Language)		Mathematics		Science	
	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-6.8	-4.6	-8.3	-6.8	-	-	-2.6	-1.1	-4.1	-3.6
Wales	-7.4	-7.4	-8.2	-8.0	-7.0	-5.8	-3.4	-3.7	-4.5	-4.4

Gender differences have decreased for all indicators. All subject gender gaps are narrower than the Wales average gender difference.

Gender differences at level 6+ (boys' performance – girls' performance):

	English		Welsh (First Language)		Mathematics		Science	
	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-14.9	-11.4	-	-	-5.6	-3.1	-9.1	-6.3
Wales	-17.9	-18.4	-20.4	-18.8	-4.4	-5.0	-10.3	-11.0

Gender differences have decreased for all subjects. All subject gender gaps are narrower than the Wales average gender difference for English and Welsh.

Gender differences at level 7+ (boys' performance – girls' performance):

	English		Welsh (First Language)		Mathematics		Science	
	2015	2016	2015	2016	2015	2016	2015	2016
Newport	-10.0	-9.5	-	-	-1.5	-0.6	-4.4	-5.7
Wales	-10.7	-11.0	-10.1	-10.5	-2.7	-3.6	-6.4	-8.3

Gender differences have decreased for all subjects except science, and are narrower than the Wales average gender difference in all subjects.

Wales rankings:

Newport's rankings have declined in all areas, except maths, which remains the same as the previous year.

	CSI	English	Mathematics	Science
2016	19 ↓	15 ↓	17 →	19 ↓
2015	18 ↑	14 ↑	17 ↑	15 ↑
2014	19 ↓	17 ↓	18 ↓	20 ↓

CSI		English		Welsh 1st Lang.		Mathematics		Science	
Ceredigion	92.3	Ceredigion	94.8	Pembrokeshire	98.3	Ceredigion	94.2	Gwynedd	96.0
Gwynedd	92.0	Monmouthshire	94.2	Wrexham	97.5	Gwynedd	94.0	Vale of Glamorgan	96.0
Monmouthshire	91.9	Vale of Glamorgan	93.4	Vale of Glamorgan	97.5	Monmouthshire	93.6	Ceredigion	96.0
Vale of Glamorgan	91.2	Powys	93.4	Flintshire	96.8	Vale of Glamorgan	93.1	Conwy	95.2
Powys	89.2	Gwynedd	92.5	Swansea	95.6	Flintshire	92.7	Powys	95.2
Flintshire	88.4	Flintshire	91.1	Powys	94.3	Conwy	92.2	Monmouthshire	95.1
Isle of Anglesey	87.6	Conwy	90.9	Conwy	93.5	Powys	91.0	Flintshire	94.8
Bridgend	87.4	Cardiff	90.5	Cardiff	93.1	Denbighshire	90.9	Isle of Anglesey	94.1
Conwy	87.3	Isle of Anglesey	90.5	Denbighshire	92.5	Cardiff	90.8	Torfaen	94.0
Merthyr Tydfil	87.0	Bridgend	90.2	Gwynedd	92.3	Isle of Anglesey	90.8	Bridgend	93.9
Cardiff	86.6	Merthyr Tydfil	89.9	Neath Port Talbot	92.1	Pembrokeshire	90.7	Cardiff	93.7
Denbighshire	86.4	Swansea	89.8	Isle of Anglesey	92.1	Bridgend	90.4	Denbighshire	93.1
Swansea	86.3	Denbighshire	89.5	Ceredigion	92.1	Swansea	90.4	Wales	92.8
Carmarthenshire	86.3	Carmarthenshire	89.3	Wales	92.0	Carmarthenshire	90.3	Carmarthenshire	92.7
Wales	85.9	Wales	89.2	Rhondda Cynon Taff	91.4	Wales	90.1	Pembrokeshire	92.5
Pembrokeshire	85.4	Newport	88.3	Bridgend	89.6	Merthyr Tydfil	89.6	Swansea	92.4
Wrexham	84.3	Wrexham	87.9	Carmarthenshire	88.6	Torfaen	89.2	Wrexham	91.9
Rhondda Cynon Taff	84.0	South East Wales	87.5	Torfaen	87.7	Newport	89.0	Merthyr Tydfil	91.9
South East Wales	83.8	Rhondda Cynon Taff	87.1	South East Wales	87.4	South East Wales	89.0	South East Wales	91.5
Torfaen	83.8	Pembrokeshire	87.1	Caerphilly	87.3	Rhondda Cynon Taff	88.9	Rhondda Cynon Taff	91.4
Newport	83.4	Torfaen	87.0	Merthyr Tydfil	-	Wrexham	87.9	Newport	90.7
Caerphilly	82.0	Caerphilly	85.3	Blaenau Gwent	-	Caerphilly	87.6	Blaenau Gwent	90.4
Blaenau Gwent	80.9	Blaenau Gwent	84.8	Monmouthshire	-	Blaenau Gwent	87.0	Caerphilly	89.8
Neath Port Talbot	77.7	Neath Port Talbot	84.1	Newport	-	Neath Port Talbot	83.1	Neath Port Talbot	88.5

Key Stage 3 Summary Statement and Next Steps:

Key Stage 3 performance is at best adequate. However, there is a good three year improvement trend at all levels. Level 5 and 6 outcomes are above the regional average but below that of Wales. The level 5 CSI is 1.5% below Welsh Government modelled expectation, although the gap is closing over time. A significant step change is required in order to secure better Key Stage 3 outcomes over the next three years. Actions to address this shortcoming include:

- Identifying secondary schools who are not meeting Welsh Government modelled expectations for Key Stage 3 and have a three year trend of below median benchmarking performance.
- Ensuring effective grant spend for pupil in receipt of Free School Meals.
- The development of a Seamless Learning Pathways project in two secondary schools.
- Using Education Improvement Boards (EIB's) to monitor the progress of Key Stage 3 in identified secondary schools.
- Using local authority Academic Performance Reviews as a vehicle to consider and share the strengths of standards, provision and leadership for Key Stage 3 across the city.
- Requesting independent Key Stage 3 reviews in schools not making at least satisfactory progress in Key Stage 3.
- Providing intensive support for English, Maths and leadership in specific schools in need.
- Improving the EAS and LA approach to forensic monitoring of schools in a category of support.
- Making direct links with schools which have poor pupil attendance, high rates of pupil exclusion and adequate or unsatisfactory pupil attainment. .
- Using local authority statutory powers to address limited or unsatisfactory progress in individual schools

National Tests

Reading tests

	Reading - English						Reading - Welsh					
	85+			116+			85+			116+		
	2015	2016	Diff	2015	2016	Diff	2015	2016	Diff	2015	2016	Diff
Newport	81.7	82.3	0.6	15.1	15.4	0.2	79.5	84.3	4.8	9.0	11.7	2.7
SE Wales	82.2	82.2	0.0	18.7	19.1	0.4	80.9	82.2	1.3	15.2	15.7	0.5
Wales	83.5	83.8	0.2	16.6	16.7	0.1	84.6	84.8	0.2	17.1	16.6	-0.6

- There's been a 0.6% increase in performance for standardised scores of 85+ in English tests since 2015. Performance is comparable with SE Wales and lower than Wales, but the gap between the LA and comparative data has narrowed.

- For standardised scores of 116+, LA performance improved slightly by 0.2%. Performance is higher than SE Wales and Wales.
- There's been a 4.8% increase in performance at 85+ in Welsh tests since 2015. Performance is now comparable with Wales.
- For standardised scores of 116+, LA performance improved by 2.7%. Performance is lower than SE Wales and Wales but the gap between the LA and comparative data has narrowed.

Numeracy tests

	Numeracy - Procedural						Numeracy - Reasoning					
	85+			116+			85+			116+		
	2015	2016	Diff	2015	2016	Diff	2015	2016	Diff	2015	2016	Diff
Newport	80.8	81.4	0.7	13.0	14.0	1.0	81.2	80.8	-0.4	12.3	13.3	1.0
SE Wales	81.9	81.9	0.0	17.0	17.4	0.4	82.6	81.8	-0.9	15.9	17.1	1.2
Wales	84.2	84.3	0.1	16.0	16.1	0.1	85.6	84.8	-0.8	16.8	16.9	0.1

- There's been a 0.7% increase in performance at 85+ in Procedural tests since 2015. The gap between the LA and Wales data has narrowed.
- At 116+, LA performance improved by 1.0%. Performance is lower than SE Wales and Wales, but the gap between the LA and Wales data has narrowed.
- There's been a 0.4% decrease in performance at 85+ in Reasoning tests since 2015. This is mirrored in the regional and national data.
- At 116+, LA performance improved by 1.0%. Performance is lower than SE Wales and Wales.

Wales Rankings

	Reading En	Reading We	Numeracy procedural	Numeracy reasoning
2016	16	14	20	21
2015	19	21	21	21
2014	17	21	20	19

Reading - English		Reading - Welsh		Numeracy - Procedural		Numeracy - Reasoning	
Vale of Glamorgan	89.1	Vale of Glamorgan	92.7	Vale of Glamorgan	89.3	Vale of Glamorgan	89.8
Monmouthshire	88.3	Monmouthshire	92.1	Monmouthshire	88.7	Powys	88.9
Powys	87.5	Cardiff	89.3	Powys	87.7	Ceredigion	88.7
Swansea	86.3	Powys	88.7	Ceredigion	87.7	Gwynedd	88.3
Ceredigion	86.1	Neath Port Talbot	87.2	Carmarthenshire	87.6	Carmarthenshire	88.2
Carmarthenshire	85.5	Denbighshire	86.7	Swansea	87.3	Swansea	88.0
Pembrokeshire	85.3	Swansea	85.9	Gwynedd	86.3	Monmouthshire	87.8
Flintshire	84.7	Pembrokeshire	85.7	Pembrokeshire	84.6	Pembrokeshire	86.0
Bridgend	84.7	Carmarthenshire	85.6	Isle of Anglesey	84.6	Bridgend	85.8
Wales	83.8	Merthyr Tydfil	85.1	Wales	84.3	Flintshire	85.6
Conwy	83.7	Wales	84.8	Bridgend	84.3	Isle of Anglesey	85.1
Cardiff	83.7	Gwynedd	84.4	Cardiff	84.2	Wales	84.8
Isle of Anglesey	83.5	Rhondda Cynon Taff	84.3	Flintshire	83.8	Cardiff	84.4
Gwynedd	83.3	Ceredigion	84.3	Neath Port Talbot	83.8	Conwy	84.3
Neath Port Talbot	83.1	Newport	84.3	Conwy	83.1	Wrexham	83.3
Rhondda Cynon Taff	82.3	Bridgend	83.8	Caerphilly	82.9	Neath Port Talbot	83.2
Newport	82.3	Flintshire	82.9	Rhondda Cynon Taff	82.5	Denbighshire	83.0
Denbighshire	82.1	Torfaen	82.5	Wrexham	82.2	Rhondda Cynon Taff	82.6
Caerphilly	82.1	Caerphilly	82.1	Denbighshire	81.8	Caerphilly	82.4
Merthyr Tydfil	81.8	Conwy	81.4	Merthyr Tydfil	81.6	Torfaen	81.3
Wrexham	81.7	Wrexham	79.8	Newport	81.4	Merthyr Tydfil	80.9
Torfaen	81.5	Isle of Anglesey	79.5	Torfaen	81.2	Newport	80.8
Blaenau Gwent	77.8	Blaenau Gwent	61.0	Blaenau Gwent	77.3	Blaenau Gwent	76.7

National Tests summary statement and next steps:

The National Tests for reading are currently 'good' in Newport. Further steps to address More Able and Talented learners to achieve a score of 116+ will be based around developing higher order reading skills

across the curriculum. This work will be planned through the English network meetings and through bespoke school support arrangements.

The National Tests for Maths numeracy and reasoning requires specific attention. The following actions have been agreed by the local authority and will be delivered by the EAS:

- Embedding reasoning and problem solving into maths via ‘Maths Alive’ and ‘Maths on the Move’ conferences.
- Working with schools to exemplify effective teaching of numeracy.
- Developing and refining effective intervention and catch up support for all pupils.
- Developing and embedding Assessment for Learning for maths in order to close the gap between Teacher Assessment and National Tests.

Proposal

1. To acknowledge the position regarding pupil performance and progress made.
2. To consider any issues arising that the Cabinet may wish to raise.

Well-being of Future Generations (Wales) Act 2015:

All local authorities have a duty to strive to develop a “Prosperous Wales” by developing “skilled and well-educated population in an economy which generates wealth and provides employment opportunities.” Furthermore, regardless of the socio-economic demographic of an individual school community, all schools will be challenged and supported to improve pupil attainment with a view to create “more equal wales” that enables pupils to fulfil their potential no matter what their background or circumstances.

Financial Summary: There are no financial implications linked to this report

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Individual schools do not meet their agreed future target.	M	M	There is an expectation that effective pupil tracking and monitoring is carried out in all schools across the LA. Progress towards agreed targets are collated by the EAS and LA three times per year. Schools identifying that they are not on track will receive support and challenge from the EAS / LA in order to reduce the gap between agreed targets and outcomes	Deputy and Chief Education Officer EAS
The LA does not meet Welsh Government Modelled Expectations for Key Stage 3 outcomes for 2015/16	M	H	There are no actions which can change 2015/16 outcomes however the LA , EAS and schools must put effective plans in place to ensure that any identified gap is resolved or narrowed in 2016/17. Work plans are already in place to improve Key Stage 3 outcomes.	Deputy and Chief Education Officer EAS

Links to Council Policies and Priorities

Council Improvement Plan
Education Service Plan
21st Century Schools Strategy
Welsh-medium Education Strategy
Wellbeing of Future Generations (Wales) Act 2015

Options Considered / Available; Preferred Choice and Reasons: N/A

Comments of Monitoring Officer

There are no legal issues arising from the Report.

Comments of Chief Financial Officer

There are no financial implications arising from this report

Staffing Implications: Comments of the Head of People and Business Change

How well children do at school is of critical importance and underpins one of the cornerstones of the Corporate Plan – A Learning and Working City. There are many factors that influence both the attainment and achievement of children during their educational career and which can contribute to the overall performance of schools and the Local Authority. The report references relative deprivation (through eligibility for free school meals) and the Committee may wish to think about this and other factors when considering the issues highlighted within the report. The Committee may also wish to consider the role of other partners under the duties placed on the Authority through the Wellbeing of Future Generations Act. The report does not highlight any specific human resource implications.

Cabinet Member for Education & Young People:

I am pleased to note that Newport continues to perform above the all Wales average and well above its 'natural' local authority ranking position for Foundation Phase and Key Stage 2 pupil outcomes. It is also encouraging to see a faster trajectory of progress in Key Stage 3 pupil outcomes. However, Key Stage 3 outcomes remain a challenge and must improve in order to secure better outcomes for pupils at Key Stage 4. I have requested that the LA and EAS develop an even deeper focus in this area over the forthcoming academic year and beyond.

SM/07/11/2016

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Report

Cabinet

Part 1

Date: November 2016

Item No: Insert item number here

Subject **Wellbeing of Future Generations (Wales) Act – Assessment of Local Wellbeing**

Purpose To provide an update on the requirements of the Well-being of Future Generations (Wales) Act 2015 and the development of the Assessment of Local Well-being

Author Head of People and Business Change
Policy, Partnership and Involvement Manager

Ward All

Summary The Well-being of Future Generations (Wales) Act is about improving the social, economic, environmental and cultural well-being of Wales. It will make the public bodies listed in the Act think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. The Act also sets a well-being duty on specified public bodies to act jointly via public services boards (PSBs) to improve the economic, social, environmental and cultural well-being of their area by contributing to the achievement of the well-being goals.

As part of this joint well-being duty the PSB must prepare and publish an assessment of the state of economic, social, environmental and cultural well-being. The assessment must provide an accurate analysis of the state of well-being in each community and in the area as a whole. This will include assessments of communities in the area, which in Newport will be a development of the existing ward profiles.

Proposal To note the requirement to develop the Assessment of Local Well-being and to agree the approach of developing the ward profiles in line with this requirement.

Action by Head of People and Business Change
Policy, Partnership and Involvement team working with partners.

Timetable Draft for consultation December 2016.

This report was prepared after consultation with:

- Chief Executive
- Heads of Service
- Cabinet Members – Community Work and Skills, and Deputy Leader

Signed

Introduction

The Well-being of Future Generations (Wales) Act (WFG Act) became law in Wales on 29th April 2015. The Act is about improving the social, economic, environmental and cultural well-being of Wales. It will make the public bodies listed in the Act think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. In addition to the well-being duty placed on public bodies, the Act also sets a well-being duty on specified public bodies to act jointly via public services boards (PSBs) to improve the economic, social, environmental and cultural well-being of their area by contributing to the achievement of the well-being goals.

Cabinet has received reports on progress towards the requirements of the Act which include changes to the way we make decisions, and the requirement for the Council to develop wellbeing objectives for the organisation. This report considers the approach for the partnership development of the Assessment of Local Well-being. The proposal has also been discussed by the Public Services Board (PSB) for Newport.

Assessment of Local Well-being

As part of this joint well-being duty the public service board must prepare and publish an assessment of the state of economic, social, environmental and cultural well-being. The assessment must provide an accurate analysis of the state of well-being in each community and in the area as a whole.

From this assessment each PSB must prepare and publish a Local Well-being Plan setting out its objectives and the steps it will take to meet them. The assessment must be published by April 2017.

In Newport ward profiles were initially developed in 2013/14 to support the aims of the One Newport Local Service Board and the development of area based working. The profiles encompass the 20 designated ward areas across the city. These have since been updated on an annual basis and are public documents (www.newport.gov.uk/atlas).

The profiles were compiled specifically for ease of reference and access by partner organisations and the wider community as a whole. The profiles provided an overview of the ward and key information which can be used to support and baseline future initiatives and identify areas of greatest need.

Proposed Approach in Newport

The Assessment of Local Well-being will contain an assessment of the state of well-being of Newport as a whole and a number of community assessments which comprise the whole area.

Each assessment will be split in to five sections:

- Community Overview;
- Economic Well-being;
- Social Well-being;
- Environmental Well-being;
- Cultural Well-being;

The structure of the document is set out on pages 7-9.

Once completed the Assessment of Local Well-being will be used:

- **to identify the priorities for the Local Well-being Plan;**
- **for service planning and delivery in line with our statutory responsibilities.**

To tie in with all the good work that has already been undertaken in Newport, the ward profiles will be further developed and refined to become community well-being profiles. This will incorporate the previous valuable work undertaken within the ward profiles but meet the needs of the WFG Act.

The statutory guidance '*Shared Purpose: Shared Future*' is available to help public bodies respond to the duties and powers they now have under the Act. Further information about the Act is available on the Welsh Government [website](#).

The guidance refers to communities as large enough to show differences, and with a sense of identity but larger than electoral wards. This guidance has been considered, and although other local authority areas are using Middle Super Output Areas which are similar in size (to electoral wards) but without identity, in Newport many wards reflect community boundaries and are understood by the general population, and fit into larger boundaries reflecting partnerships.

A proof of concept is attached to demonstrate what the assessment will look like. This is a draft and will be updated to contain the latest data, analysis and findings from the public engagement process.

Gwent Strategic Well-being Assessment Group (G-SWAG)

A Gwent group has also been meeting on a regular basis. Members of the group include the five local authorities, Aneurin Bevan University Health Board, Public Health Wales, Natural Resources Wales, South Wales Fire and Rescue, Gwent Police, Office of the Police and Crime Commissioner. One of the key principles of the group is to maximise skills and existing capacity across partners, share intelligence and agree common principles and reduce duplication. This approach builds on the arrangements already in place and has brought together key partners to work together.

The group has commissioned the Data Unit Wales to provide up to date and relevant data in graphical format.

Timetable and other work

- One Newport PSB established in April 2016, meets on a quarterly basis and is chaired by the Deputy Leader
- New scrutiny arrangements established, with a policy review group set up and relevant being arranged for all members
- Local Assessment of Wellbeing is underway as outlined in this report, working with partners across the region. Other assessments, including the Social Services and Wellbeing Population Needs Assessment, are fully integrated.
- Engagement programme is underway with various activity including surveys ([haveyoursay](#)), events and focus groups, working with partners through the engagement group (Cabinet Member Community Work and Skills [report](#) Aug 2016 refers). This engagement work will be reported in the assessment.
- Report to Cabinet (September 2016) on the development of wellbeing objectives for NCC by March 2017

Date	Item
November 2016	Wellbeing Assessment overview report
13 th Dec 2016	Consultation Draft to PSB
19 th Dec 2016 – 19 th Feb 2017	Consultation Period for all stakeholders
12 th January 2017	Well-being Assessment to Scrutiny
14 th Mar 2017	Final Version to PSB
Apr 2017	Publish Assessment Copy of Assessment to Welsh Ministers, Commissioner, Auditor General for Wales, Scrutiny Committee

Apr 2017 onwards	PSB to develop response analysis to inform the Local Wellbeing Plan
	PSB to develop Local Well-being Plan
	Assessment of Well-being to be used for service planning and delivery in line with our statutory responsibilities

We are also working with service managers across the Council to embed the key principles of the Act into decision making processes, including service planning, business improvement, performance management, audit, procurement and finance. Existing systems will need to be adapted to accommodate any changes and refocus of principles and timescales. Guidance is available to support managers in this process and an external assessment of progress is underway.

Financial Summary

There are no direct costs or financial implications to the authority arising from this report. Any implications as a result of implementation of the WFG Act will be subject to a separate report(s).

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Not properly preparing for the implications of the Act	Medium	Low	Work programme developed and being implemented, with regular briefings across the organisation. Cabinet will receive update reports as implementation of the Act progresses and will respond to any further consultation accordingly. The Council is a statutory member of the PSB and will be involved in the implementation of the Act.	Chief Executive
Development and publication of the local assessment of wellbeing.	Medium	Low	Approach proposed and if agreed will be implemented immediately.	Head of People and Business Change, with PSB members

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Well-being of Future Generations Act is about improving the social, economic, environmental and cultural wellbeing of Wales. The Act will have a significant impact on all Council policies and priorities. The main purpose of the statutory guidance is to help public bodies to respond to the duties and powers they now have under the Act. This will enable the Council to use this information to inform and align all Council policies and priorities including the corporate and improvement plans, and 'Newport 2020' vision.

Options Available

The options available are:

1. To note progress of the implementation of the Wellbeing of Future Generations Act and the proposed approach for development of the Assessment of Local Wellbeing and community profiles.
2. To note the progress and make amendments to the proposed development of Assessment of Local Wellbeing and community profiles.

Preferred Option and Why

Option 1 is the preferred option. The Wellbeing of Future Generations (Wales) Act places a duty on public bodies to improve wellbeing in accordance with the sustainable development principle. The progress to date, next steps and the future work programme will assist with this requirement.

Comments of Chief Financial Officer

There are no financial implications arising from this report itself, though as noted in the report, there will be significant changes in how and what Local Councils do in the future as they meet the identified needs of residents coming out of the assessment, much of that work is at early stages of developments.

The requirements of the Act around engagement and consultation will increasingly be crucial as the Council continues to make difficult budget decisions which affect services to the public. The Council's future budget strategy will need to take into account the Act and in that respect, also makes the development of a robust medium term financial plan, supported by a strategic approach to service development crucial, ensuring key aspects and outcomes coming out of this work is embedded in that.

Comments of Monitoring Officer

The Wellbeing of Future Generations (Wales) Act imposes a statutory duty on the Council to work with key partners to improve the social, economic, environmental and cultural well-being of future generations by establishing plans and strategies for delivering the national well-being goals set out in the legislation, in accordance with the sustainable development principle. Good progress has been made in implementing the legislation, through the early adopters programme. The Council has taken a central role in the establishment of the new statutory Public Services Boards, which replaced the existing LSB as from April 2016, and has put in place the necessary governance and Scrutiny arrangements. The PSB is now required to prepare and publish an Assessment of Local Well-Being which must provide an accurate analysis of the state of well-being in each community and in the area as a whole. The Report recommends that the existing ward profiles should be further developed and refined as the community well-being profiles for the purposes of undertaking this assessment. This meets the requirements of the legislation and statutory guidance and builds on the good work already undertaken by the Council to develop the ward profiles.

Staffing Implications: Comments of Head of People and Business Change

There are no staffing implications although workforce planning will continue to develop in line with the requirements of the Act.

The Council must respond to the duties and powers it now has under the Act. Significant progress has already been made across the organisation and with key partners. The work programme sets out how the Council with other PSB members will work towards implementing the joint requirement of the Act to "assess the state of economic, social, environmental and cultural well-being in its area". This will enable the Council to use the assessment for service planning and delivery in line with our statutory responsibilities and enable the PSB to develop the Local Wellbeing Plan.

Comments of Deputy Leader (as Chair of Public Services Board)

The Wellbeing of Future Generations Act established the role of the Public Services Board as outlined in the report. As Chair of the Public Services Board I endorse the progress outlined and the proposed approach to the Local Assessment which will also be reported to our statutory partners.

Local issues

No impact on individual wards, however the development of community profiles will ensure local ward information is available.

Scrutiny Committees

Prior to the publishing of the Assessment of Local Well-being, a public services board must consult with a number of statutory consultees. These are:

- Well-being of Future Generations Commissioner;
- The Board's invited participants;
- its other partners;
- such of the persons who received but did not accept an invitation from the board under Section 30 as the board considers appropriate;
- the local authority's overview and scrutiny committee;
- relevant voluntary organisations as the board considers appropriate;
- representatives of persons resident in the area;
- representatives of persons carrying on business in the area;
- trade unions representing workers in the area;
- such persons with an interest in the maintenance and enhancement of natural resources in the board's area, as the board considers appropriate;
- any other persons who in the opinion of the board, are interested in the improvement of the area's economic, social, environmental and cultural well-being.

A consultation draft of the Assessment of Local Well-being will be presented to the Streetscene, Regeneration and Safety Scrutiny Committee at the Committee's January 2017 meeting as one of the statutory consultees.

Equalities Impact Assessment

The proposal does not require a Fairness and Equalities Impact Assessment.

Children and Families (Wales) Measure

Not applicable.

Consultation

As outlined in the report.

Background Papers

Cabinet Report March 2016: Well-being of Future Generations (Wales) Act 2015

Cabinet Member Report August 2016: Consultation and Engagement

Cabinet Report September 2016: Wellbeing of Future Generations progress and Wellbeing objectives.

[Well-being of Future Generations \(Wales\) Act 2015 – The Essentials](#)

[Shared Purpose: Shared Future – Statutory Guidance on the Well-being of Future Generations](#)

[Ward Profiles 2015](#)

Dated: 18th October 2016

Contents
General Introduction
Section 1: Community Overview
- Introduction
- How many people live in Newport?
- What is the make-up of the population?
- What will the population be in the future?
Section 2: Economic Well-being
- Introduction
- Overview of the Economic Well-being of the community (to consider nursery education and Childcare Sufficiency Assessment and Engagement process).
- How strong is our local economy?
- How does income vary?
- How many people are claiming benefits?
- How skilled is our working age population?
- What do we know about the economic well-being of our children and young people?
- How skilled are our children and young people?
- How deprived are our communities?
Section 3: Social Well-being
- Introduction
- Overview of the Social Well-being of the community (to consider SSW population assessment, Substance Misuse Strategic Assessment, Reduction of Reoffending Strategic Assessment, Crime and Disorder Strategic Assessment and the Play Sufficiency Assessment and Engagement process).
- What is the life expectancy & mortality across Newport?
- What lifestyle choices are people making?
- How healthy are adults?
- How healthy are children and young people?
- How safe are our communities?
- What are living arrangements like for people?
Section 4: Cultural Well-being
- Introduction
- Overview of the Cultural Well-being of the community (to consider the Crime & Disorder Strategic Assessment and the Play Sufficiency Assessment and Engagement process)
- How is the Welsh language used?
- How cohesive are our communities?
- What else do we know about our cultural well-being?
Section 5: Environmental Well-being
- Introduction
- Overview of the Environmental Well-being of the community (to consider the Climate Change Risk Assessment and Engagement Process)
- How likely are areas across Newport to flood?
- What are air quality & emissions levels in Newport?
- What is the carbon and ecological footprint across Newport?
- What is the perception of the local area?
- What else do we know about environmental well-being in Newport?

Assessment of Well-being Dataset Template (Example)

Life Expectancy and Mortality in Newport

Well-being Goals

A healthier Wales

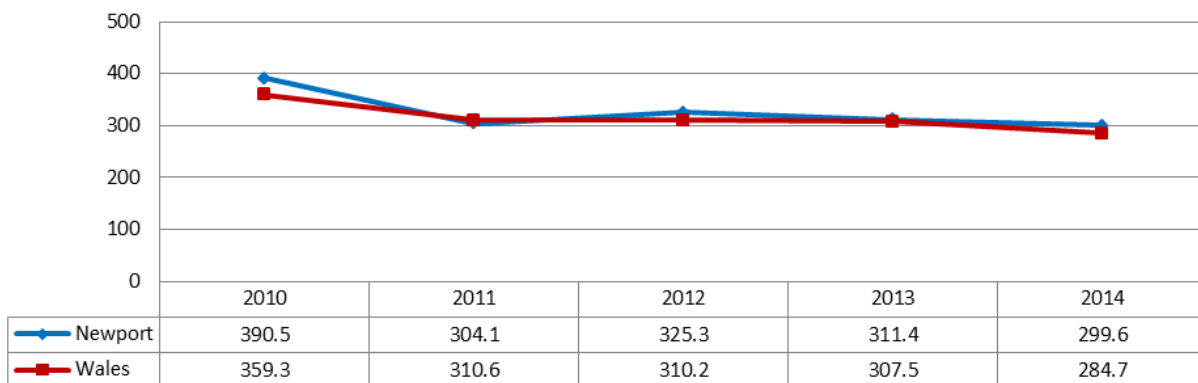
Data Set (Population Indicator)

Cardiovascular disease mortality per 100,000 population

Data Source

NHS Wales Informatics Service (NWIS)

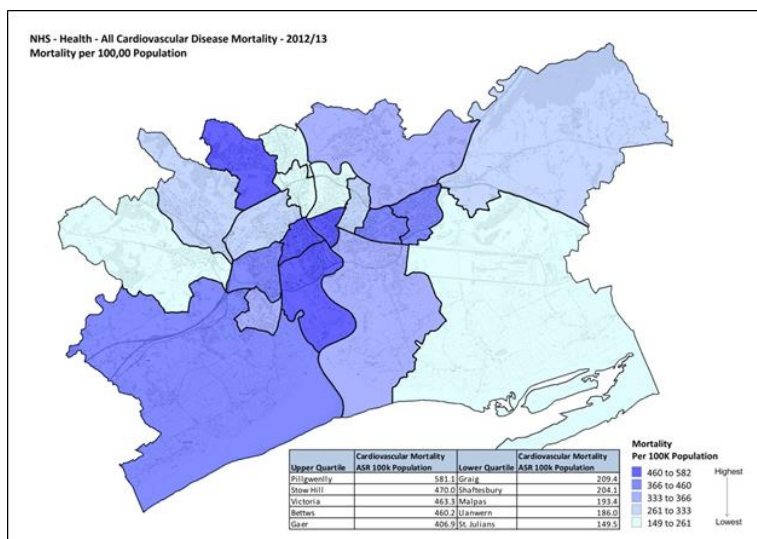
Rate of deaths due to cardiovascular disease per 100,000 population
(European age-standardised)
Source: NHS Wales Informatics Service (NWIS)



To include:

Situation Analysis –

- Description of the dataset
- Description of the data trend over the five years
- Explanation of what is driving these trends over the time series relevant to Newport.
- Predication of future trends over the next 25 years



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Report

CABINET

Part 1

Date: 14th November 2016

Item No: Insert item number here

Subject **September Revenue Budget Monitor**

Purpose This report details the current forecast position on the Council's revenue budget and the emerging risks and opportunities that present themselves within the September forecast position.

Author Head of Finance

Ward All

Summary As at September 2016, the Councils revenue budget is more or less 'on budget' (July - £1.18m overspend). Although the position is balanced overall, there remain significant overspends within the service areas of £1.76m (exc. Schools/capital financing) including;

- Adult & Community services at £669k, mainly due to community care budgets;
- Education at £560k due to pressures on a number of Special Educational Need (SEN) budgets;
- StreetScene at £459k, mainly due to unachieved income in waste disposal site and essential highway maintenance;
- Children's Social care at £144k, mainly due to out of area placements;
- Regeneration, Investment & Housing at £111k, mainly due to unbudgeted investment in the provision market and income shortfalls across a number of budget areas.

This has been offset by non-service underspends on Council tax benefit rebates (£936k), Council tax surplus (£655k) and Teachers pension savings (£293k).

This position excludes schools, which are currently reporting a deficit position of £2.5m. The overall service position (inc. Schools) is £4.26m overspend, however, Schools have nil effect on the overall Council position as any variance against base budget is matched by a corresponding reserve transfer to or from schools balances.

The net position assumes, as we always do at the early stages of the year, that the contingency budget of £1.47m is 'committed'. There are no known commitments on this currently and if this remained the case at year-end, the position would be a £1.5m underspend currently.

Although the position has improved by £1.2m since that reported in July, as required by Cabinet; officers must continue to focus on specific action to address each of the overspending areas and ensure the emphasis remains on improving the position where possible and manage within budget. Non –service budgets will not necessarily be able to mitigate against service area overspending in the future, certainly at current levels, as (i) the Council Tax base is updated each year and the surplus there may not be repeated and most certainly at the current level (ii) it is likely that we will reduce the Council Tax

reduction scheme budget for the 17/18 budget, thus reducing potential for underspending there.

This last point here is crucial to appreciate and understand ensuring we take management action and the 2017/18 budget needs to resolve the underlying service areas budget issues robustly.

Proposal Cabinet is asked to

- Note the forecast 2016/17 revenue budget position and the key risks that have been identified at this stage;
- Cabinet Members, Directors and Heads of Service maintain on-going strong financial management, and People and Place directorates to confirm a comprehensive set of actions to reduce their overspending;
- Note the planned reserve movements and revised balances at the end of the year.

Action by

- Cabinet/ HoF/ SLT – confirm plans to reduce over-spending in service areas;
- HoF / SLT – promote and ensure robust forecasting throughout all service areas.

Timetable On-going

This report was prepared after consultation with:
Strategic Directors
Head of Finance
Heads of Service
Budget Holders
Accountancy Staff

Signed

Background

Overview and Key Assumptions

1. As at September 2016 the Councils revenue budget is projecting to be more or less 'on budget' (July - £1.18m overspend). Although there are significant overspends within service areas it is fortuitous that there are one off non-service area savings to more than offset these. All service areas (with the exception of Corporate) are currently forecasting an overspend against budget.
2. The Council operates a risk based budget monitoring process, identifying key risk areas which are reviewed in detail on a monthly basis. This report is a summary statement of key issues that explain the current position and which subsequently impact upon financial management. There are monthly, service specific dashboards which HoS and Cabinet Members receive, providing more detailed explanations of the financial position, financial risks and actions being taken.
3. The forecast shows the Council more or less 'on budget'. Key assumptions within this are:
 - General contingency budget remains on budget (£1.47m);
 - Other approved costs to deliver planned 16/17 savings are funded from the Invest to Save Reserve.
4. Due to the uncertainty that presents itself in a number of service areas (detailed in para. 8) it is not recommended at this stage of the year to use the general contingency budget to mitigate against forecast overspends. The non-utilisation of the general contingency budget allows for mitigation where forecasts may change adversely due to unforeseen circumstances. The report highlights that there are a number of on-going budget risks at this stage and further management action to improve the position is required.
5. Service areas overall are projecting an overspend of £1.76m (exc. Schools). The mitigating underspends mainly comes from 'non-service' budgets, in particular council tax benefit rebates (£936k), Council tax surplus (£655k) and Teachers pension savings (£293k). Clearly, the council tax benefit budget is demand led and changes with the number of claimants and the collection of council tax can occur, with small percentage changes in collection having a significant impact on the forecast. In saying this, we are fortunate that these exist as if this was not the case the current level of service's forecast overspending far outweighs the revenue budget contingency. It is likely that these levels of potential mitigation will not be available in 2017/18 as the new budget will be adjusted in these areas and re-based substantially, therefore, management action and the 2017/18 budget needs to resolve the underlying service areas budget issues robustly.
6. Although management actions taken since July has seen the service area forecast position improve, as required by Cabinet; there needs to be consideration given to how the service areas are able to find mitigating savings to reduce this overspend further. The areas which need to be closely monitored and actions put in place to reduce the overspend are (i) Social Services (ii) Education and (iii) Streetscene & City Services.

Detailed Budget Variances

7. A summary of the key issues are outlined below.

SERVICE AREA BUDGETS – NET £1.76m OVERSPEND (July – Net £2.81m overspend)

- (i) **PEOPLE** – Net £1.37m overspend (July - £1.61m overspend)
 - **Education** – £560k Overspend (July - £340k overspend)

The current forecast overspend has increased by £220k since July and this is due to pressures on a number of SEN budgets. These budgets are demand led and affected through the pupil statementing process - out of county placements represent £415k of the £765k pressure within the SEN service. These pressures have been offset by increased SMP credits, reduced charges from the EAS and the anticipated take up of placements for early years being less than budgeted (total £225k saving).

The forecast for schools currently shows a significant movement from school reserves (£2,500k). Regular updates will take place following budget visits as they take place during the Autumn and Spring terms. Schools have been advised by the Authority to reduce the current level of school reserves. It is important here to make the differentiation between one off expenditure and base budget overspending as the Authority has requested individual school spending plans where school balances exceed the agreed amount. Of the £2.5m forecast overspend, c£2m is a result of one off expenditure to reduce school balances with the remainder relating to base budget overspending. There are currently four schools projecting year end deficits and as per SLA arrangements schools of particular concern are being offered support and challenge when visits take place.

Social Services – £813k overspend (Children’s - £144k overspend, Adults - £669k overspend) (July – £1.27m overspend)

- **Children & Young People - £144k overspend** (July - £365k overspend)

The forecast overspend has decreased by £221k since that reported in July. This follows a review of out of area placements and placement end dates being brought forward, management action to reduce current overspending and improved cashable savings in respect of 16/17 MTRP proposals.

- Out of area residential placements - £619k overspend. This is a demand led budget and current forecast is based on current, known placements. The number of Children brought into out of area residential placements has increased in recent months and this has been the cause of the overspend in this area (currently 15 placements at varying costs against a budget of 10). There is an anticipated reduction in demand in future months and these have been built into the forecast (anticipate reducing to 11 placements by December). The anticipated fall in demand includes an expectation that adaptations to Forest Lodge are undertaken to ensure the facility is fit for purpose. This will enable one child to be brought back into the Authority, thus reducing the placement costs. A delay in doing this could cause further pressure on this area's budget;
- Staff saving - (£240K). Earlier than anticipated closure of Brynglas Unit has resulted in significant in year savings. This is not a recurring saving, instead an early achievement of a 17/18 savings proposal;
- In house fostering – (£174k) saving. This anticipates an upward trend, however, if the service are able to make more in house placements this underspend could increase further;
- Kinship – (£106k) saving. This budget received budget growth in 16/17 for anticipated pressures, however, current Special Guardianship Orders (SGOs) will not cost as much as anticipated this year resulting in an underspend;
- Leaving care - £91k overspend. Despite a specific budget investment for this being included within previous years MTRP for 'When I'm Ready' to support placements up to the age of 25, it is still projecting an overspend in this financial year. The main reason being that licence conditions placed on an individual meant that a placement was made to cater for specific accommodation needs – this was a one off monthly cost of c£100k;
- Independent fostering agencies - £44k overspend. Although this is due to underachievement against this year's MTRP saving, this has reduced following a budget virement of £90k from the in house fostering account due to lower than

budgeted numbers of children being fostered through our in house provision. This is sustainable mitigation based on spend over the last three years. The number of placements in the first half of 2016/17 is significantly over that budgeted (37 placements against a budget of 31). These numbers, however, are expected to reduce for the remainder of the year (reducing down to 33 by October), which has been factored into the forecast;

- Other savings have arisen as a result of management action to reduce the projected overspends and early achievement of MTRP savings (£90k).

- **Adult & Community Services - £669k overspend** (July - £902k overspend)

The position has improved by £233k since that reported in July. There continues to be strict oversight of placements by service managers and challenge of continuing health care (CHC) decisions where appropriate. Residential beds have been reopened at Blaen Y Pant and admissions are progressing.

There are some key areas of overspending within the service, specifically within community care. The £1.02m overspend on community care budgets can be broken down to the following key items:

- £178k reduction in Supporting People Grant (SPG) which has been funding personal care costs for individuals – therefore, no corresponding reduction to package cost now that the grant has reduced as care packages in place need to remain;
- £150k undeliverable double handling saving (full target of £300k). This business case was based on a piece of work using benchmark data from England and our neighbouring authorities. However, Newport has a much more robust process for assessing and reviewing double handling cases and therefore the potential for savings is reduced;
- Income shortfall – at the end of 15/16, residential income was £544k less than budget. There has been no increase in benefits this year and coupled with the loss of respite income due to fairer charging policy, there is a pressure of £445k anticipated;
- Other key items contributing to this overspend are ;
 - (i) CSSIW inspection created 12-14 bed vacancies at Blaen Y Pant earlier in the year. This resulted in service users being redirected to more expensive private accommodation;
 - (ii) The number of clients receiving community care funding (inc residential placements and non-residential care packages) increased towards the end of last year and has continued at that rate (current number of clients 1,667 at varying costs against a budget of 1,609). Average cost of packages and demand are the factors impacting on the financial stability of this budget;
 - (iii) Loss of respite income due to fairer charging policy.

A significant amount of savings are due to be delivered in Social Care, mainly adults and community services (£1.7m) and for this reason is likely to remain as a key risk area for the Council. The service area are currently over delivering against this £1.7m target by £293k which is improving the overspend position significantly. These savings cannot be relied upon for next year as they are subject to future MTRP savings.

- (ii) **PLACE – Net £570k overspend** (July - £1.38m overspend)

- **Regeneration, Investment & Housing (RIH) – £111k overspend** (July - £295k overspend)

The position has improved by £184k since July in the main due to staff savings across a number of areas (£87k) and improved position in respect of adult education following the decision to vacate Charles Street (£65k).

- Provision market - £178k overspend. A one off overspend of £80k to enhance the market conditions and promote the market is forecast as the income for the year is predicted to be £97k lower than budget;
- Private sector housing - £78k overspend. A review of the private sector housing budget is currently underway following end of year audit. The statutory service costs have been determined for the Disabled Facilities Grant (DFG) and the income has been reduced accordingly. There is potential for the income forecast to reduce further;
- Homelessness - £67k overspend. The provision of accommodation for the homeless is subject to financial risk given the demand led nature of this budget. This position will continue to be carefully monitored as is likely to remain volatile throughout the year;
- Adult Education - £43k overspend due to under recovery of income. This has reduced by c£70k following mitigating action agreed by the Cabinet Member to close Charles Street – significant property related savings forecast.

The overspending areas outlined above have been offset by the following:

- £93k staff related savings (including £37k in respect of the HoS position following interim arrangements in Place to cover the role of Strategic Director until a permanent appointment is made);
- £90k saving resulting from the reduced number of carbon units purchased;

- **Street Scene & City Services – £459k overspend** (July - £1.09m overspend)

The majority of the overspend within Streetscene & City Services relates to the non-delivery of MTRP savings as Prosiect Gwyrdd (PG) incinerator has led to income pressures. Reduced NCC waste was due to provide capacity at the site to be filled by commercial and asbestos waste which failed to materialise due to PG and licensing issues respectively. As a result, MTRP income is £689k below target. The asbestos cell became fully operational early September and the projected income assumes that c£90k additional income will be generated throughout the remainder of the year. There is also an overspend on the Waste Grant of £319k as a result of the following (it should be noted that this has been identified as a recurring issue and so has been identified as a budget pressure for MTFP consideration):

- There has been a 6 month delay in transferring the collection of cardboard to Wastesavers which has resulted in additional costs being incurred. This one off expenditure relates to additional staff resource and the purchase of equipment has meant that an overspend of £153k is forecast;
- Vehicles originally purchased from the grant have become obsolete and been sold so replacement vehicles are required to be hired until new vehicles can be procured causing an over spend of £79k. This should be a one off pressure, however this is dependent upon securing capital funding and also vehicle lead times;
- The service has also used a different method of waste disposal to achieve the Council's recycling target, however, the costs are higher than using the incinerator resulting in a forecast overspend of £87k. Work is on-going to determine whether this is likely to be a recurring pressure and if this is the case whether there are mitigating savings elsewhere to permanently manage the issue.

Other pressures that have been included within the forecast are:

- Pothole repair scheme - £300k pressure. Additional expenditure required for highway pothole repairs across the City;
- Contact Centre/ Benefits - £102k overspend. This predominantly relates to the non-delivery of vacancy provision. The contact centre is a frontline service with a requirement to maintain a full complement of staff at all times hence the budgeted vacancy provision of £60k is unachievable;

- Pride In Newport Team - £50k overspend. Reinstatement of the Pride in Newport campaign.

Since July there have been a number of mitigating savings identified as a result of management action and decisions taken to defer spend in certain areas. The pressures identified above have been offset (in part) by the following areas of underspend:

- Asset & water management and drainage operations – Spending has been deferred as part of the operations review in attempt to reduce the level of overspending within Streetscene (£613k);
- Fleet management – Over recovery of income and other non-staff savings (£150k);
- External trade waste income forecast to be £113k better than budget.

(iii) CORPORATE – Net (£188k) underspend (July – £94k underspend)

Although most forecasts are within 1% of budget allocation, staff vacancies account for the current underspend. Risk in the form of CCTV income within Law & Regulation should be noted where a £90k income variance is being mitigated. Across the service area a number of potential budget pressures exist and are included within paragraph 8 (key budget risks / opportunities).

(iv) CAPITAL FINANCING – Net (£82K) underspend (July – no change)

Lower MRP charge for 16/17 as a result of the capital expenditure funded by borrowing for 2015/16 being lower than was anticipated when budget was set.

(v) NON SERVICE – Net (£1.04m) underspend (July £977k underspend)

This area has significant budget levels at £29m, of which Council Tax reduction scheme is £11.7m and levies £8.2m. These two items alone make up a large proportion of the overall budget.

Although there is relatively less volatility in this budget area, there are some significant forecast variances for 16/17:

- The Council Tax reduction scheme is demand led, and current forecasts are expecting this scheme to come in at £936k under budget. This area came in under budget in previous 2 years as claimant numbers decreased as the local economy improved. The budget was established at the point at which the burden for this fell on Local Councils;
 - this was at the height of the last recession and funding was set at a relatively high level and will need to be reviewed as part of the 2017/18 budget work;
- Increased Council Tax income above budget by £655k, primarily due to the increase in house building and completions, over and above that predicted when Council Tax was set. This will be reviewed carefully as we progress through the year; and will be re-based for the 2017/18 budget as we update the 'Council Tax Base'
- Savings of £293k in respect of Teachers pension costs;
- Non delivery of cross cutting MTRP savings (NWoW) – undelivered savings from previous years total £503k. The focus of this project has recently changed and coupled with the fact that savings to meet this come from service areas the original project has been concluded.

Corporate and Cross Cutting Savings

There remains a balance of £503k against the outstanding programme target of £635k. There are savings of £355k and £25k included within the work programme to be delivered in 2017/18 and 2018/19 respectively. A change of approach has been promoted with the intention of the outstanding targets to be distributed to the relevant service areas to deliver from April 2017. This new approach will ensure that there is transparency, reduce risk of duplication and, therefore, slippage.

NWoW Summary	
NWoW MTRP Target 2016/17 (C&CC Budget Deficit April 2016)	-£634,618
Savings Forecast to be Delivered in 2016/17	£131,349
Variation to 2016/17 MTRP Target (C&CC Budget Deficit)	-£503,269
Savings Forecast to be Delivered in 2017/18	£355,932
Savings Forecast to be Delivered in 2018/19	£25,000
Variation to MTRP Target (C&CC Budget Deficit)	-£122,337

The source of the £355k projected savings in 2017/18 and the £25k projected savings in 2018/19 are outlined below:

	Social Services	Streetscene	Law & Regulation	Total
2017/18	£239,932	£100,000	£16,000	£355,932
2018/19	£25,000	-	-	£25,000
Total	£264,932	£100,000	£16,000	£380,932

Work is ongoing to determine how the outstanding balance of £122k is to be addressed.

Emerging Risks and Opportunities

8. All areas of the Council continue to manage and mitigate significant budget challenges. Where they are able to be quantified, the risks around these challenges have been incorporated into the forecasts presented within this report. Whilst the section above outlines the broad reasons why service areas are under-spending or overspending, this next section highlights key areas of concern and risks which have the **potential to be recurring**.

- Education

- **Out of County (OOC) Placements** – SEN is demand led and projections may change monthly. The INCLUDE group project is currently in operation, at a cost of £86k for 16/17. This should avoid specific out of county costs in future and would allow learners to remain in Newport. As placements change throughout the year forecasts will be revised accordingly.
- Actions have been outlined by the HoS and are to be agreed with the Cabinet Member in attempt to mitigate the overspending. If, however, these actions do not alleviate the pressure it should be considered within the MTFP.

- Children & Young People

- **Out of area residential placements** - This is a demand led budget and forecast is based on current, known placements. There is a project across children's services to improve the in house provision aiming to avoid further out of Authority placements and a significant piece of work has already been completed too test the robustness of the current process and decision making.
- Adults & Community Services
 - Inherent pressures from prior years in respect of demand/ non achievement of MTRP savings are in the process of being reviewed.
- RIH
 - **Private Sector Housing** – A review of this budget is currently underway. The income under recovery on management fees for disabled facilities grants is £78k, however, there is potential for this to increase further. Once the review has been concluded the full extent of the pressure will be known and reported.
- Streetscene & City Services
 - Income pressures for the Council resulting from the **Prosiect Gwyrdd (PG)** and other waste streams are becoming increasingly concerning. As the incinerator becomes more efficient more capacity is created and more contracts secured. The commercial and asbestos waste that this capacity at the landfill site was hoping to attract has not materialised due to PG and licensing issues. Management action is essential to ensure that this position does not worsen. The current projected shortfall against the service areas MTRP target is £689k;
 - **Contact centre** vacancy provision – net overspend of £55k pressure. The contact centre is a frontline service with a requirement to maintain a full complement of staff at all times, therefore, the budgeted vacancy provision of £60k is unachievable.
- Corporate
 - **People & Business Change** - £70k MTRP saving target in 16/17 is based on the IT service being outsourced to the SRS. If this project does not go ahead there will be significant pressure not only in respect of the efficiencies that have been pre-empted but also the significant investment required if the IT service were to remain in house;

Financial management 16/17

9. Although the budget is more or less 'on budget', service area overspending requires improvement at this stage of the financial year. The position excludes the base budget 'contingency' and this provides a good level of cover for any further worsening of forecasts. As noted above, a few key areas are very volatile and significant savings are being delivered this year, in particular in Social Care and Education.

The Head of Finance recommends that Cabinet does not utilise the whole of the uncommitted contingency at this stage but consider what currently unfunded one-off spending priorities they may wish to take forward from the current year's underspend.

10. Noting the above agreed actions, it is essential that all service areas :

- Manage spending within their existing base budgets;
- Implement MTRP savings for 2016/17 robustly;
- Social care, Education and Streetscene confirm action agreed/ developed to deal with their overspending, as far as is possible.

Directors, with HoS need to ensure they are satisfied that robust financial management is being strictly adhered to, and further specific initiatives and actions are agreed to reduce spending/ increase income.

Use of reserves

11. Appendix 3 illustrates the planned movements in reserves throughout the year. Cabinet should note the opening balance as at 31st March 2016, planned transfers in/ (out) of serves and the forecast balance as at 31st March 2017. Current projections suggest that 9% of the Councils reserve will be used by the end of the financial year.

12. Financial Summary

The summary monitor in Appendix one and the main report contain the significant financial issues and overall position.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Inaccurate forecasts	M	L	Risk based monitoring Focus on capital/PFI financing budgets	HoF HoS
Budgets not managed	H	L	Reviewed by SLT/CLT Review by Scrutiny and Cabinet	HoF SLT/CLT

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Good financial management underpins the delivery of all Council services and achievement of priorities.

Options Available

In terms of the financial position and financial management, there are no options – service areas do need to bring about improvements in their financial management and work with finance support teams to deal with base budget issues via a mixture of management action to manage issues and/or re-allocate budgets as appropriate. This will also need to include a review of budget issues to resolve in the 2017/18 budget, where required and necessary.

In terms of the financial position, the position is balanced but if contingency is not allocated, will result in a c£1.5m underspend based on current forecasts. As noted above, it is not recommended that all of this potential underspend is spent now as there are still budget risk to manage and 5 months of the financial year left.

However, in saying that, Cabinet could now consider what currently unfunded one-off spending priorities they wish to consider to allocate this against. It can then be released to deliver these, in a managed way.

Alternatively, Cabinet could decide to not spend any of the underspend and that would then be available to put into an appropriate reserve for future spending

Preferred Option and Why

Cabinet should note the potential underspend and consider what currently one-off unfunded spending priorities they might wish to allocate this against. The implementation of these can then be considered against the benefits of reserving any underspend for future years

Comments of Chief Financial Officer

Main comments are contained within main body of the report.

It is good to see the required improvements in forecasts from that reported for July but it is incumbent on officers, with CM's, to apply strong financial management to early months forecasts and to then deliver on these. There has been a pattern over many years of forecasting a challenging position in early months and which then improves as the year progresses following senior management and Cabinet intervention and comment.

The service area position is challenging and budget proposals for 2017/18 will need to address some underlying budget problems which are not resolvable through management action alone.

Comments of Monitoring Officer

There are no direct legal issues here

Staffing Implications: Comments of Head of People and Business Change

Comments of Cabinet Member

N/A

Local issues

N/A

Scrutiny Committees

No consultation with Scrutiny at this stage of the year. As agreed by Cabinet previously, the revenue budget position will be subject to Scrutiny reviews in late autumn of each financial year.

Equalities Impact Assessment

N/A

Children and Families (Wales) Measure

N/A

Consultation

N/A

Background Papers

N/A

Dated:

Appendices

Appendix 1 – Revenue Summary Monitor (September 2016)

Appendix 2 – Budget Monitoring Dashboards

Appendix 3 – Delivery of MTRP Savings

Appendix 4 – Planned reserve movements

APPENDIX 1 – Revenue Summary Monitor (September 2016)

Summary Revenue Budget					
	Apr-16	Current	Projection	(Under)/Over	Change
2016/2017	Approved Budget	Budget	(exc I2S)	(exc I2S)	since last
					Statement (exc I2S)
	£'000	£'000			£'000
PEOPLE					
Children & Young People	21,084	21,401	21,545	144	(60)
Adult & Community Services	39,676	39,326	39,995	669	(151)
Education	13,869	13,863	14,423	560	13
Schools	89,835	90,000	92,500	2,500	(1)
	164,464	164,590	168,463	3,873	(199)
PLACE					
Regeneration, Investment & Housing	9,100	9,026	9,137	111	(32)
Streetscene & City Services	17,092	16,883	17,342	459	(99)
	26,192	25,909	26,479	570	(131)
CHIEF EXECUTIVE					
Directorate	552	552	475	(77)	(1)
Finance	2,678	2,742	2,705	(37)	(47)
People & Business Change	6,371	6,415	6,353	(62)	3
Law & Regeneration	6,474	6,521	6,509	(12)	(62)
	16,075	16,230	16,042	(188)	(107)
CAPITAL FINANCING COSTS & INTEREST					
Capital Financing Costs MRP	10,813	10,813	10,731	(82)	-
Interest Payable	9,145	9,145	9,145	-	-
Interest Receivable	(37)	(37)	(37)	-	-
Investment Props	-	-	-	-	-
PFI Grants	8,261	8,261	8,261	-	-
	28,182	28,182	28,100	(82)	-
SUB TOTAL - SERVICE/CAPITAL FINANCING					
	234,913	234,911	239,084	4,173	(437)
CONTINGENCY PROVISIONS					
General Contingency	1,473	1,473	1,473	-	-
Restructuring / Other Savings	-	-	-	-	-
Centralised Insurance Fund	570	570	570	-	-
Non Departmental Costs	5	5	5	-	-
Other Income & Expenditure	3,761	4,082	4,241	159	85
	5,809	6,130	6,289	159	85
LEVIES / OTHER					
Discontinued Operations - pensions	1,790	1,790	1,497	(293)	(47)
Discontinued Operations - Ex Gratia Payments	2	2	2	-	-
Levies - Drainage Board, Fire service etc	8,210	8,208	8,237	29	-
Non distributed grants	-	-	-	-	-
CTAX Benefit Rebates	11,735	11,735	10,799	(936)	(47)
Extraordinary Items	-	-	-	-	-
Charity Rate Relief	37	-	-	-	-
	21,774	21,735	20,535	(1,200)	(94)
TRANSFERS TO/FROM RESERVES					
Base budget - Planned Transfers to/(from) Rese	1,442	1,162	1,162	-	-
Earmarked reserves: Queensbury Loan				-	-
Earmarked reserves: Transfer to/(from) Capital				-	-
Earmarked reserves: Transfer to/(from) Schools			(2,500)	(2,500)	1
Earmarked reserves: Transfer to/(from) Schools Redundancy				-	-
Invest to Save Reserve				2,649	(4,918)
Invest to Save Reserve (from)				(2,649)	4,918
	1,442	1,162	(1,338)	(2,500)	1
TOTAL	263,938	263,938	264,570	632	(445)
Funded by					
WAG funding (RSG & NNDR)	(209,142)	(209,142)	(209,142)	-	-
Council Tax	(54,720)	(54,720)	(54,720)	-	-
Council Tax Surplus	(76)	(76)	(731)	(655)	-
TOTAL	-	-	(23)	(23)	(445)

APPENDIX 2 – Budget Monitoring Dashboards

Attached:

- Overall Council dashboard
- Individual service area dashboards within People, Place and Chief Executive portfolios

APPENDIX 3 – Delivery of MTRP Savings

Financial Improvement Plan – September 2016

Overall Summary	Education	Childrens	Adults	RIH	Streetscene	PBC	Finance	L&R	Non Service	Total 16/17
2016/17 MTRP Target (£) Total	£60,000	£417,000	£1,712,000	£948,000	£2,215,000	£411,000	£222,000	£330,000	£2,283,000	£8,598,000
Total Savings Realised by Year End 2016/17	£60,000	£441,400	£2,005,000	£928,000	£1,526,475	£401,000	£222,000	£315,000	£2,283,000	£8,181,875
Variation to MTRP Target	£0	£24,400	£293,000	-£20,000	-£688,525	-£10,000	£0	-£15,000	£0	-£416,125
Variation % to MTRP Target	0%	6%	17%	-2%	-31%	-2%	0%	-5%	0%	-5%
Undelivered Savings from Previous Years (C&CC)								-£52,500	-£503,269	-£555,769
Impact of Savings Realised Early for project greater than one year duration										
Variation to MTRP Target	£0	-£170,600	-£170,000	-£20,000	-£688,525	-£10,000	£0	-£15,000	£0	-£1,074,125
Variation % to MTRP Target	0%	-41%	-10%	-2%	-31%	-2%	0%	-5%	0%	-12%
By Portfolio										
	People	Place	Corporate	Non Service	Total 16/17	Undelivered savings Previous Years				
2016/17 MTRP Target (£) Total	£2,189,000	£3,163,000	£963,000	£2,283,000	£8,598,000	£687,118				
Total Savings Realised by Year End 2016/17	£2,506,400	£2,454,475	£938,000	£2,283,000	£8,181,875	£131,349				
Variation to MTRP Target	£317,400	-£708,525	-£25,000	£0	-£416,125	-£555,769				
Variation % to MTRP Target	14%	-22%	-3%	0%	-5%	-81%				

Appendix 4 – Planned Movement in Reserves

Reserve	Balance at 31-Mar-16	Planned movements in year												Balance at 31-Mar-17
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	
	£'000													
Council Fund:	(6,500)	-	-	-	-	-	-	-	-	-	-	-	-	(6,500)
Balances held by schools for future use	(5,881)	-	-	-	2,881	(380)	-	-	-	-	-	-	-	(3,380)
														-
Earmarked Reserves:														-
Music Service	(205)	-	-	-	-	-	-	-	-	-	-	-	-	(205)
Insurance Reserve	(1,925)	-	-	-	-	-	-	-	-	-	-	-	-	(1,925)
MMI Insurance Reserve	(352)	-	-	-	-	-	-	-	-	-	-	-	-	(352)
Legal Claims	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
Health & Safety	(16)	-	-	-	-	-	-	-	-	-	-	-	-	(16)
Council Tax Reduction	(500)	-	-	-	-	-	-	-	-	-	-	-	-	(500)
Education Achievement Service	(92)	-	-	-	-	-	-	-	-	-	-	-	-	(92)
Schools Redundancies	(453)	-	-	-	-	-	-	-	-	-	-	-	-	(453)
Friars Walk	(6,176)	-	-	-	-	-	-	-	-	-	-	-	(2,811)	(8,987)
Gem Services Reserves	(100)	-	-	-	-	-	-	-	-	-	-	-	-	(100)
SUB TOTAL - RISK RESERVES	(9,919)	-	-	-	-	-	-	-	-	-	-	-	(2,811)	(12,730)
Pay Reserve	(1,948)	-	-	-	-	-	-	-	-	-	-	-	730	(1,218)
Capital Expenditure	(7,084)	-	-	-	-	-	-	-	-	-	-	-	1,000	(6,084)
Invest to Save	(12,838)	-	-	-	-	-	-	-	-	-	-	-	2,649	(10,189)
Super Connected Cities	(749)	-	-	-	-	-	-	-	-	-	-	-	125	(624)
Landfill (Door Stepping Campaign)	(131)	-	-	-	-	-	-	-	-	-	-	-	131	-
Christmas Lights	(47)	-	-	-	-	-	-	-	-	23	-	-	-	(24)
Usable Capital Receipts	(8,059)	-	-	-	-	-	-	-	-	-	-	-	4,233	(3,826)
SUB TOTAL - ENABLING RESERVES	(30,856)	-	-	-	-	-	-	-	-	23	-	-	8,868	(21,965)

STEP School Computers	(638)	-	-	-	-	-	-	-	-	-	-	-	343	(295)
Municipal Elections	(120)	-	-	-	-	-	-	-	-	-	-	-	120	(0)
Local Development Plan	(528)	-	-	-	-	-	-	-	-	-	-	-	(69)	(597)
Glan Usk PFI	(971)	-	-	-	-	-	-	-	-	-	-	-	-	(971)
Southern Distributor Road PFI	(44,498)	-	-	-	-	-	-	-	-	-	-	-	17	(44,481)
SUB TOTAL - SMOOTHING RESERVES	(46,756)	-	-	-	-	-	-	-	-	-	-	-	411	(46,345)
Works of art	(21)	-	-	-	-	-	-	-	-	-	-	-	-	(21)
School Works	(272)	-	-	-	-	-	-	-	-	-	-	-	(20)	(292)
Theatre & Arts Centre	(233)	-	-	-	-	-	-	-	-	-	-	-	-	(233)
Cymorth Income	(38)	-	-	-	-	-	-	-	-	-	-	-	38	-
Pupil Referral Unit	(60)	-	-	-	-	-	-	-	-	-	-	-	-	(60)
Gypsy and Traveller Site	(7)	-	-	-	-	-	-	-	-	-	-	-	-	(7)
Homelessness Prevention	(38)	-	-	-	-	-	-	-	-	-	-	-	-	(38)
Environmental Health - Improve Air Quality	(50)	-	-	-	-	-	-	-	-	-	-	-	50	-
Refurbishment of a Children / Older People Homes	(115)	-	-	-	-	-	-	-	-	-	-	115	-	-
ECDL Training Package - Change to Apprenticeship Scheme	(80)	-	-	-	-	-	11	11	11	11	11	11	14	-
City Deal Reserve - Rename - City Economic Development	(195)	-	-	-	-	-	-	-	-	-	-	-	100	(95)
NEW - Welsh Language Standards	(240)	-	-	-	-	-	-	-	-	-	-	-	-	(240)
NEW - YS Dilapidation Costs Information Shop	(51)	-	-	-	-	-	-	-	-	-	-	-	51	-
SUB TOTAL - OTHER RESERVES	(1,400)	-	-	-	-	-	11	11	11	11	11	126	233	(986)
RESERVES TOTAL	(101,311)	-	-	-	2,881	(380)	11	11	11	34	11	126	6,701	(91,905)

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Budget Monitoring Position – September 2016

Newport City Council

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	263,938	263,938	263,926	263,938	263,938	263,884	263,884	263,884	263,884	263,884	263,884	263,884
Forecast (£'000)	263,938	263,938	264,685	268,001	266,861	266,361	266,361	266,361	266,361	266,361	266,361	266,361
Transfer (to) Schools Balances (£000)	0	0	0	(2,881)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Variance (£'000)	0	0	759	1,182	423	-23	-23	-23	-23	-23	-23	-23

Analysis of Variances by Directorate:

PEOPLE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	164,460	164,460	164,566	164,620	164,535	164,535	164,535	164,535	164,535	164,535	164,535	164,535
Forecast (£'000)	166,040	166,040	166,132	169,108	168,606	168,408	168,408	168,408	168,408	168,408	168,408	168,408
Transfer (to) Schools Balances (£000)	0	0	0	(2,881)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)
Variance (£'000)	1,580	1,580	1,566	1,607	1,571	1,373	1,373	1,373	1,373	1,373	1,373	1,373

PLACE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	25,909	25,909	25,909	25,896	25,896	25,909	25,909	25,909	25,909	25,909	25,909	25,909
Forecast (£'000)	25,909	25,909	26,806	27,279	26,597	26,479	26,479	26,479	26,479	26,479	26,479	26,479
Variance (£'000)	0	0	897	1,383	701	570	570	570	570	570	570	570

CORPORATE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	16,061	16,061	16,061	16,073	16,103	16,230	16,230	16,230	16,230	16,230	16,230	16,230
Forecast (£'000)	16,061	16,061	16,027	15,979	16,023	16,042	16,042	16,042	16,042	16,042	16,042	16,042
Variance (£'000)	0	0	-34	-94	-80	-188	-188	-188	-188	-188	-188	-188

Budget Monitoring Position – September 2016

Newport City Council

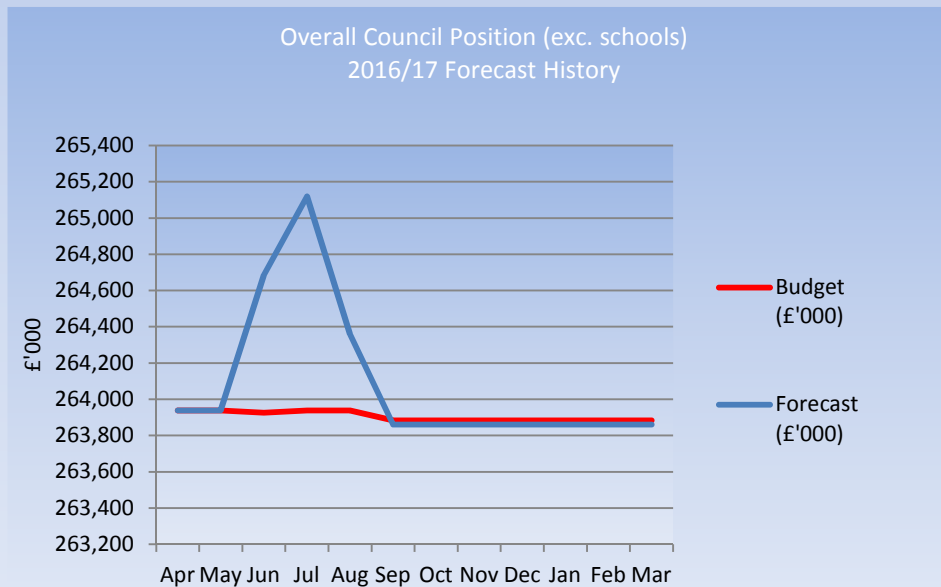
Analysis of Variances Non Service Areas:

CAPITAL FINANCING & INTEREST NET	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	28,182	28,182	28,182	28,182	28,182	28,182	28,182	28,182	28,182	28,182	28,182	28,182
Forecast (£'000)	28,182	28,182	28,100	28,100	28,100	28,100	28,100	28,100	28,100	28,100	28,100	28,100
Variance (£'000)	0	0	-82	-82	-82	-82	-82	-82	-82	-82	-82	-82

NON SERVICE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	29,145	29,145	29,145	29,166	29,221	29,027	29,027	29,027	29,027	29,027	29,027	29,027
Forecast (£'000)	29,145	29,145	28,200	28,189	28,189	27,986	27,986	27,986	27,986	27,986	27,986	27,986
Variance (£'000)	0	0	-945	-977	-1,032	-1,041	-1,041	-1,041	-1,041	-1,041	-1,041	-1,041

Variance relates to in year funding adjustment – CT surplus (£655k)

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Movement since last monitor –
Overspend reduced by £455k

Current forecast £23k underspend



Budget Monitoring Position – September 2016

Newport City Council

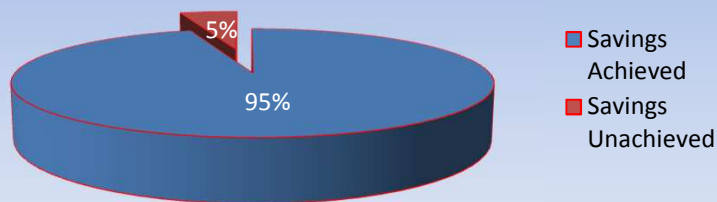
Key Elements of Budget Variances:

OVERALL STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	58,009	58,009	58,009	57,784	57,773	57,783	57,783	57,783	57,783	57,783	57,783	57,783
Forecast (£'000)	58,096	58,041	57,944	57,744	57,744	57,744	57,744	57,744	57,744	57,744	57,744	57,744
Variance (£'000)	87	32	-65	-40	-29	-39	-39	-39	-39	-39	-39	-39

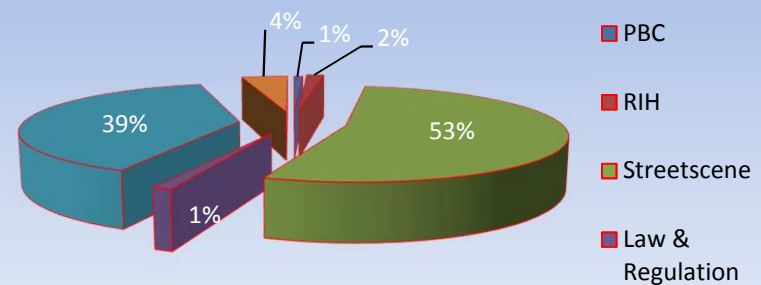
OVERALL DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	8,598	8,598	8,598	8,598	8,598	8,598	8,598	8,598	8,598	8,598	8,598	8,598
Savings Realised (cumulative) (£'000)	8,185	8,117	7,977	7,836	7,803	8,181	8,181	8,181	8,181	8,181	8,181	8,181
Variance (£'000)	413	481	621	762	795	417	417	417	417	417	417	417
Undelivered Savings from previous years (£'000)	308	308	308*	381*	556*	556*	556*	556*	556*	556*	556*	556*
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

* Undelivered savings from previous years relates to Law & Regulation (CCTV) of £53k and Non Service (NWoW) of £503k

Overall Council Position
2016/17 Revenue Savings Achieved & Unachieved



Overall Council Position
Analysis of Unachieved Savings



Budget Monitoring Position – September 2016

Newport City Council

Other key budget variances:

- *Children's out of area residential placements - £619k overspend*
- *Children's in house fostering – (£174k) underspend and Independent fostering agencies £44k overspend*
- *Adults community care packages - £575k overspend*
- *External residential and non residential income shortfall - £445k*
- *SEN overspend - £764k*
- *Highway pothole repairs - £300k overspend*
- *Provision market investment and income shortfall - £178k*
- *Waste Disposal Site Income - £595k overspend due to under recovery of income*
- *Waste Grant - £319k overspend*

Budget Monitoring Position – September 2016

Adult & Community Services

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	39,219	39,219	39,219	39,219	39,189	39,326	39,326	39,326	39,326	39,326	39,326	39,326
Forecast (£'000)	40,402	40,402	40,402	40,121	40,009	39,995	39,995	39,995	39,995	39,995	39,995	39,995
Variance (£'000)	1,183	1,183	1,183	902	820	669	669	669	669	669	669	669

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	12,247	12,247	12,247	12,247	12,218	12,239	12,239	12,239	12,239	12,239	12,239	12,239
Forecast (£'000)	12,383	12,383	12,383	12,328	12,349	12,340	12,340	12,340	12,340	12,340	12,340	12,340
Variance (£'000)	136	136	136	81	131	102	102	102	102	102	102	102

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712	1,712
Forecast Savings (£'000)	1,712	1,654	1,774	1,771	1,781	2,005	2,005	2,005	2,005	2,005	2,005	2,005
Variance (£'000)	0	58	-62	-59	-69	-293	-293	-293	-293	-293	-293	-293
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Community Care	27,629	28,649	1,020	R	Majority of overspend due to the following: £150k under delivery of Double Handling Saving, £178k reduction in SPG grant, £143k unachievable inflationary increase on income, £400k historic budget deficit, £50k loss of respite income

Budget Monitoring Position – September 2016

Adult & Community Services

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Community Care Packages			956	660	578	575						
External Residential & Non Resi income			328	521	524	445						
Integrated Community Equipment			-84	-78	-89	-89						
Staffing Budgets			136	81	131	102						
Transport Savings (mainly Homecare)			-113	-105	-109	-108						
Supplies & Services			0	-113	-138	-134						
Other			-40	-64	-77	-122						
Variance (£'000)	0	0	1,183	902	820	669	0	0	0	0	0	0

Budget Monitoring Position – September 2016

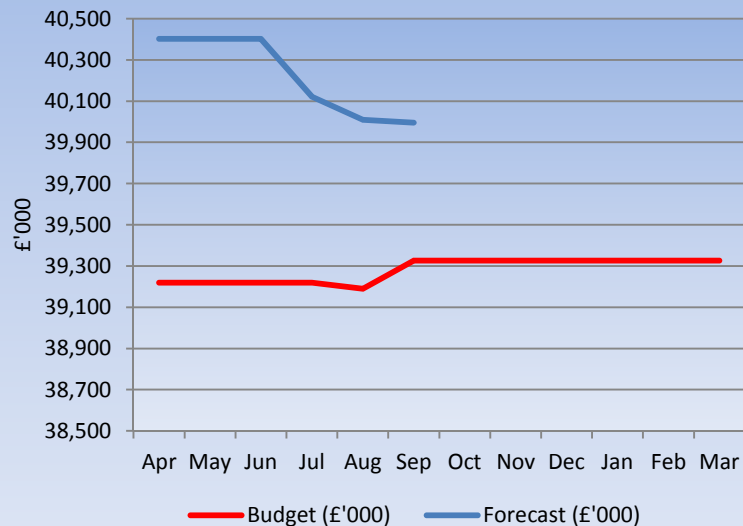
Adult & Community Services

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>The £1.020m overspend on community care budgets has reduced by £82k since last month. Despite an increase in overall client numbers forecasts now include an additional £150k SPG funding due to an agreement that funding will be identified for core expenditure by March 2017.</p>
	<p>The main reasons for the £1.02m overspend is as follows:</p> <ul style="list-style-type: none"> • £178k reduction is SPG with no corresponding reduction to package cost • £143k unachievable income inflation added to 16/17 budget • £150k undeliverable Double Handling saving (full target of £300k) • £400k inherent pressure from prior years (pressure now added in 17-18 MTRP) • £50k loss of respite income due to fairer charging policy
	<p>Integrated Community Equipment Budget £89k u/spend – This is due to the NCC budget allocation being higher than the agreed pooled contribution. This budget can be re-allocated to areas of pressure.</p>
	<p>Staffing budgets £102k overspend – Decrease compared to last month. Previous years have tended to underspend overall based on early achievement of savings projects as a result of redundancies. There are significantly less staff in adult services that in prior years as a result of outsourcing services and therefore less scope to make savings in this area. Currently, the vacancy turnover target is not being achieved.</p>
	<p>Transport savings currently being forecasted are as a result of lower car allowances being claimed for homecare staff however there is a planned restructure of extra-care and homecare staff that may need reconfiguring of budgets.</p>
	<p>Supplies – The forecasts against these budgets have been reduced significantly in light of the recent messages regarding reducing spend where possible.</p>

Budget Monitoring Position – September 2016

Adult & Community Services

Adult & Community Services
2016/17 Forecast History



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BMS Submission Data

% of cost centres submitted by budget holder deadline

%

94.12

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- Review of income predictions to understand shortfall
- The reduction in Supporting People contribution to care and support packages has been reprofiled. More detailed work is also underway to forecast of Learning Disability demand develop an accommodation strategy. This will include a transitions worker funded by SPG.
- Managers are reviewing rotas to reduce costs .
- Oversight of new packages is robust and the AMHP's deployed to address increase in Section 117.

Non Delivery of MTRP Savings

- A detailed review of double handing project has been done and further potential packages flagged . A dedicated resource has been identified to carry out this work leading to an improved position.
- Maintaining resource and focus on savings achieved through reviewing care packages remains a challenge as the service as circa £1million of current MTFP projects

Budget Monitoring Position – September 2016

Adult & Community Services

Head of Service Commentary

Head of Service comments/ summary:

The position continues to improve with strict oversight of placements by service managers and by contesting CHC decisions where appropriate. Further work is also in development in the form of an invest to save bid to review people who may be eligible for CHC, however this remains a key area of risk. We have reopened residential beds at Blaen Y Pant and admissions are progressing and the step down beds in Parklands are full. The changes in the WG charging policy highlighted previously has resulted in a £50k loss of respite income and increase in referrals from individuals who were previously self funding their respite care. The Supporting People Grant reduction in pressure is due to re-profiling of impact across 3 years as per the WG regional agreement. The number of people under a Section 117 is increasing and managers are deploying AMPH social workers into the hospital wards so ensure people are discharged at an earlier point. A review of staffing rotas in provider services is taking to ensure more effective use of staff resources across the 24 hour period.

Strategic Director Commentary

Strategic Director comments:

The net position has improved again this month by £151k and a total of £233k over the past 2 months, this is mainly a result of a reduction of the Supporting People grant pressure. There is an overspend due to an inflation increase in the income target in the base budget of £143k – this is un-achievable

Most other key budget projections are similar to last month

Budget performance is reviewed in Leadership and Performance Boards as well as the Portfolio Boards and extensive work has been undertaken to analyse the reasons for the cost pressures and to attempt to manage down the projected overspend.

Last year we managed to out turn at just £91k overspend – but – Community Care Budgets were £1,298k overspent. We also had an under achievement for income of £457k. This overspend was balanced out by in year savings underspends in Homecare and extra-care due to service restructure (£598k) and Frailty underspend (£327k).

It is important to note that around 70% of budget is taken up by 3rd party payments and 20% by employees with just 14% for supplies and services.

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Budget Monitoring Position – September 2016

Children & Young People

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	21,538	21,538	21,538	21,538	21,538	21,401	21,401	21,401	21,401	21,401	21,401	21,401
Forecast (£'000)	21,935	21,935	21,935	21,903	21,742	21,545	21,545	21,545	21,545	21,545	21,545	21,545
Variance (£'000)	397	397	397	365	204	144	144	144	144	144	144	144

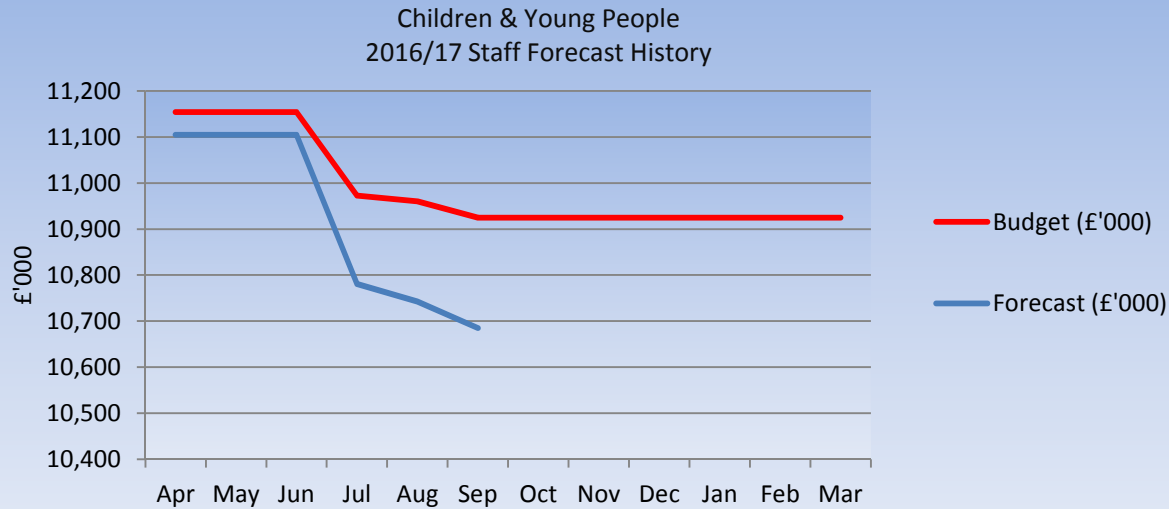
Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	11,154	11,154	11,154	10,973	10,960	10,924	10,924	10,924	10,924	10,924	10,924	10,924
Forecast (£'000)	11,105	11,105	11,105	10,781	10,742	10,685	10,685	10,685	10,685	10,685	10,685	10,685
Variance (£'000)	-49	-49	-49	-192	-218	-240	-240	-240	-240	-240	-240	-240

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	417	417	417	417	417	417	417	417	417	417	417	417
Forecast Savings (£'000)	429	419	254	243	262	441	441	441	441	441	441	441
Variance (£'000)	-12	-2	163	174	155	-24	-24	-24	-24	-24	-24	-24
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

Budget Monitoring Position – September 2016

Children & Young People



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AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Out of Area Residential	1,593	2,211	619	R	Demand Led budget which has increased by £23k compared to the August forecast due to a new short term placement
Independent Fostering Agencies	1,288	1,332	44	R	MTRP saving of £200k was causing an overspend however the service has now agreed to vire sustainable underspends from in-house fostering budgets to mitigate the non achievement.
Leaving Care/When I'm Ready	659	750	91	R	There is significant pressure on this budget as a result of new legislation to support care leavers up to the age of 25. There is a pressure identified in the 17-18 MTRP

Budget Monitoring Position – September 2016

Children & Young People

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Out of Area Residential			426	606	595	619						
Independent Fostering Agencies			100	182	135	44						
In-House Fostering			-139	-212	-216	-174						
Kinship			-91	-115	-103	-106						
Staffing			-49	-192	-218	-240						
Leaving Care			131	131	122	91						
Other (£72k of which due to Homeless, Legal fees, DP's and Gwent Safeguarding, equipment and foster panel budgets)			19	-35	-111	-90						
Variance (£'000)	0	0	397	365	204	144	0	0	0	0	0	0

Movement since last month

Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)



Independent Fostering Agencies – This is now only forecasting a £44k overspend due to a sustainable underspend on in-house fostering budgets being moved here to permanently mitigate the unachieved MTRP saving of £200k.



Out of Authority Residential forecasts do not currently anticipate an upward trend as it's very unpredictable. One placement could cost a further £150k for a full year. The forecast has increased since last month due to a new short term placement. If this continues beyond the planned 28 days it will result in an additional cost of £6k per week.



In House Fostering – This budget is still underspending significantly however over the next few years there is an anticipated upward trend. Management made the decision to vire the underspending budgets from this area over to Independent Fostering Agencies to offset the overspend there. Based on spend over the last three years, this is sustainable.



Kinship – This budget has received investment in 16/17 for an anticipated pressure however current SGO's will not cost as much as anticipated in this financial year resulting in an underspend.

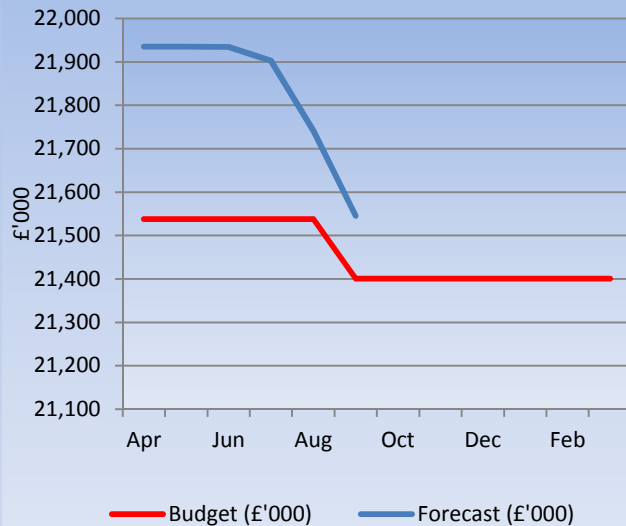


Leaving Care/When I'm Ready – Despite a pressure being received to support placements up to the age of 25, it is still projecting an overspend in this financial year. The overspend however, has decreased since last month.

Budget Monitoring Position – September 2016

Children & Young People

Children & Young People
2016/17 Forecast History



Head of Service Commentary

Management actions to address position:

Key Budget Variances

Leaving Care The current cohort of children requiring leaving care packages requires complex arrangements including particular issues linked to the risk of CSE, violence and offending. Work with homelessness and the RSL's along with supporting people has commenced to better address the need of young people on leaving care, leaving custody and presenting as homeless.

Kinship In 2014/15 and 2015/16 across England and Wales there was an increase in the number of Kinship Care placements. This trend was mirrored within NCC. This currently appears as if it has flattened out slightly. In part this is potentially a result of a slight shift in behaviours in the current arena. It is too early to assume this is the case.

Out of Area Residential This budget is used for a very small group of children with complex needs. Whilst some of this group are in long term care and we are able to forecast costs for the year, a handful each year become known to the local authority with very short notice. Of the current cohort, 3 placements were made between December 2015 and March 2016. Each of these placements arose following multiple breakdowns of previous placements. As a result of the late onset of placement it was not possible to build in the additional pressure within the 16-17 budget. Work is ongoing with all Out of Authority placements to mitigate and source more local and less costly options, including improving in house provision. In additions to these three placements that account for £397K of the variance there was an in year increase for one child whose needs increased to the point where he required 2-1 care. Again this was not an anticipated change.

In Sept there was one further placement to OOA residential all agreed this was the only option including the court.

Staffing The variance has arisen because of speedy resolution of long term sickness and disciplinary issues

BMS Submission Data

%

% of cost centres submitted by
budget holder deadline

67.57

Budget Monitoring Position – September 2016

Children & Young People

Head of Service Commentary

Management actions to address position:

Non Delivery of MTRP Savings

IFA & In House Fostering It is agreed the saving against the IFA budget is unachievable. An analysis of the proposed saving demonstrates the principal saving was predicated on an erroneous assumption. In September, the Fostering team will be focussing on a recruitment drive for carers of older young people and UASC. The reduction in in house fostering is jointly because of a breakdown in teenage placements and a reduction in numbers of baby placements as a result on lower numbers entering care.

Budget Monitoring Position – September 2016

Children & Young People

Head of Service Commentary

Head of Service comments/ summary:

The overall reduction in numbers of looked after children will over the coming months filter through to impact and reduce placement costs. Sustaining the lower figures requires focussed quality assurance and rigour. Work continues to improve placement choices and reviewing all OOA residential placements.

Strategic Director Commentary

Strategic Director comments:

The net position has improved again by £60k which is £221k lower over the past 2 months. Key challenges remain (Out of Authority, Independent Fostering and placement for children leaving care. It is positive to note that the total number of children in care remains at the position we had in 2010 and if we had the same rate as other similar authorities we would be paying around £4-7m more on placements alone.

The projected overspend on the Independent Fostering budget has reduced by £89k and other savings from direct payments and the Independent Advocacy contract amount to savings of £76k.

Pressures principally relate to specialist placement costs for children with complex needs and/or challenging behaviour. Placements for individual children can cost as much as £350k per annum. Presently we have 15 children in out of authority placements and the base budget is set at 10 children (based on last year's overall average cost). These pressures have arisen after the completion of last years MTRP.

Budget Monitoring Position – September 2016

Directorate

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	552	552	552	552	552	552	552	552	552	552	552	552
Forecast (£'000)	552	552	531	501	476	475	475	475	475	475	475	475
Variance (£'000)	0	0	-21	-51	-76	-77	-77	-77	-77	-77	-77	-77

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	521	521	521	521	521	521	521	521	521	521	521	521
Forecast (£'000)	521	521	500	482	456	456	456	456	456	456	456	456
Variance (£'000)	0	0	-21	-39	-65	-65	-65	-65	-65	-65	-65	-65

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Savings Realised cumulative (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period		MAY	JUN	JULY	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
There are no risk areas identified for Directorate					

Budget Monitoring Position – September 2016

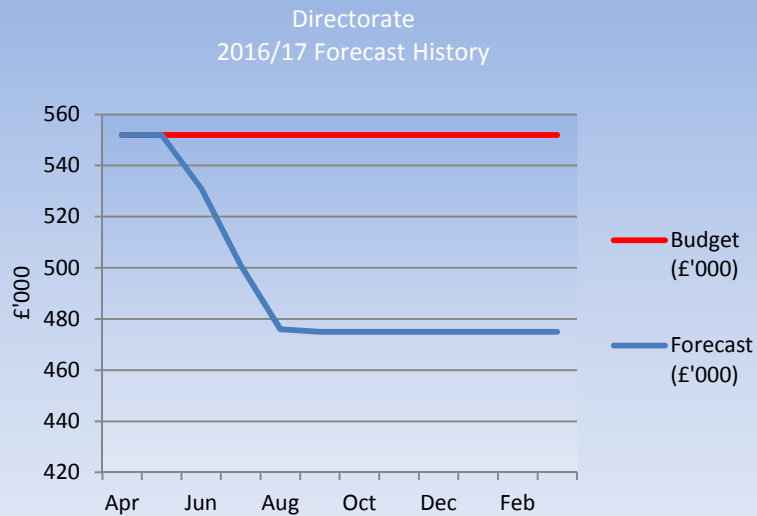
Directorate

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Staffing	0	0	-21	-40	-65	-65						
Total	0	0	-21	-40	-65	-65						

	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	No Issues to report

Budget Monitoring Position – September 2016

Directorate



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Head of Service Commentary

Management actions to address position:

Key Budget Variances

- None to report

Non Delivery of MTRP Savings

- None to report

BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

100

Budget Monitoring Position – September 2016

Directorate

Head of Service Commentary

Head of Service comments/ summary:

Strategic Director Commentary

Strategic Director comments:

Whilst there are some variances within individual service areas, the overall position within the Corporate Services is showing a small underspend. This demonstrates good overall financial management.

Budget Monitoring Position – SEPTEMBER 2016

Education

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	13,869	13,869	13,863	13,863	13,863	13,863	13,863	13,863	13,863	13,863	13,863	13,863
Forecast (£'000)	13,869	13,869	13,849	14,203	14,410	14,423	14,423	14,423	14,423	14,423	14,423	14,423
Variance (£'000)	0	0	-14	340	547	560	560	560	560	560	560	560

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318	4,318
Forecast (£'000)	4,318	4,318	4,305	4,273	4,234	4,225	4,225	4,225	4,225	4,225	4,225	4,225
Variance (£'000)	0	0	-13	-45	-84	-93	-93	-93	-93	-93	-93	-93

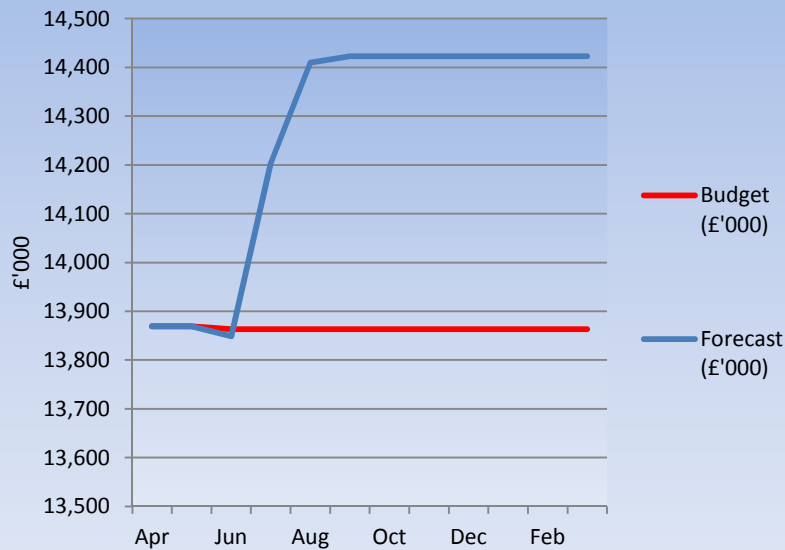
DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	60	60	60	60	60	60	60	60	60	60	60	60
Savings Realised cumulative (£'000)	60	60	60	60	60	60	60	60	60	60	60	60
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
SEN	3,615	4,379	764	Red	Additional OOC Independent placements and In Year Adjs higher than budget. Pressure offset by additional income.
Redundancy	1,003	1,003	0	Green	Current position shows budget on line , any over/under spends will be a transfer to/from reserves.
Transport	3,613	3,623	10	Red	Transport costs higher than anticipated.
Early Years	1,170	1,084	(86)	Green	Early Years placement funding less than budget.

Budget Monitoring Position – September 2016

Education

Education
2016/17 Forecast History



BMS Submission Data

% of cost centres submitted by budget holder deadline (exc schools)

%

5

Head of Service Commentary

Key Budget Variances/Issues for HOS to consider.

- SEN: Pressure of £764k. OOC Placements' pressure of £415k. In Year Adjustments' actuals as at the end of September is already over and above budget, current pressure reported at £500k. Pressure reported in these areas has been offset against additional SEN Recoupment income from other Las and one off additional income from another authority. An INCLUDE group has started at a cost of £87K to the service, the service is currently looking at options in order to mitigate this pressure within the service.
- Note prepared for HOS/CD on the overspend and it may lead to a pressure for incorporation in MTRP for 17/18.
- Transport forecast is over by £10k. Adjacent accountancy team should provide forecasts next month which should reflect any changes for new term arrangements in September.
- Early Years: The anticipated take up of placements is less than budgeted. Rising 3s forecast for Spring Term assumed at the highest figure over the last three years for forecast purposes.






Budget Monitoring Position – September 2016

Education

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Non Delegated Budget				-48	-48	-48						
Joint Services				-101	-101	-91						
SEN OOC Placements				479	564	415						
SEN – Statement Adjustments				150	361	500						
SEN - Income				-100	-200	-150						
Early Years						-86						
Other (inc staffing)					-29	20						
Total				380	547	560						

Budget Monitoring Position – September 2016

Education

Changes since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	Redundancy – The current position is the budget is being reported online, detriment figures are yet to be confirmed and could impact on this position, however any over/under spend will be a transfer to/from reserves.
	SEN: OOC Placements’ forecast is demand led and projections may change monthly. Although these placements are small in terms of number, the financial costs associated are significant. There are potentially three additional OOC placements to be formalised. Following a Learning Resource Base (LRB) review a new INCLUDE group project at a cost of £87K in 16/17 has started, which will avoid specific out of county future costs and allows learners to remain in Newport. The cost up-front is an added pressure to the service and the service is currently looking at options to mitigate this pressure within the service. In-Year adjustment charges are currently at £474k with only April to September figures, current budget is £339k.
	Transport – Demand led budget. Affect on current year tends to be reported once new admissions intake is assessed in the Autumn Term.
	Catering – Current pressure in Breakfast Clubs (options need to be examined here) is offset by savings in the Free School Meals’ budgets. Potential future risk if the need for repairs and maintenance is higher than budget. Based on previous years a pressure of £7k has been reported which will be revised in line with demand.
	Early Years - The anticipated take up of placements is less than budgeted. Rising 3s forecast for Spring Term assumed at the highest figure over the last three years for forecast purposes.

Budget Monitoring Position – September 2016

Education

Head of Service Commentary

Head of Service comments/ summary:

Current projection of £560k overspend has increased £13k month on month, primarily due to increased charges in relation to joint services for Visual/Hearing impaired services. However the underlying pressures with regard to SEN budgets remain.

As previously stated mitigation has been applied across the service to lower the forecast spend. This will continue at every opportunity.

Where budgets can be permanently re-aligned this will take place prior to the next monitor at month 7. This will see the pressures with regard to OOC placements being contained within a revised budget.

The position with regard to in-year adjustments still remains as previous months comments. However following the last monitor a pressures paper has been prepared. Albeit that a number of further actions have also been put in place to mitigate or remove the pressures for future years.

The actions that have been put in place are:

- Develop options for dealing with all aspects of ALN funding through the ISB.
- Options to be developed for presentation to schools forum at the meeting of 1st November 2016.
- **ACTIONS TO BE COMPLETE BY CLOSE OF WEDNESDAY 19TH OCTOBER 2016**
- Service area to address issues with regard to Transport forecasts for OCTOBER monitor as target set last month has slipped by one month.
- Risk Based information with regard to ALL SEN AREAS to be reviewed as currently not fit for purpose.
- **ALL ACTIONS HERE ARE TO BE COMPLETED BY END OF OCTOBER.**

Budget Monitoring Position – September 2016

Education

Strategic Director Commentary

Strategic Director comments:

Present projection shows an overspend of £560k at the year end. The overspend relates to out of county placements and new/reviewed statements. These can be very expensive for example up to £200k at the top end for school placements. The capacity problem I mentioned last month in Education services has not yet been resolved and the key spreadsheets are not consistently updated and data is not yet reliable, but a post is being recruited to which will solve this problem.

Significant cost pressures of around £650k have been identified and added to the MTRP albeit at a late stage in the MTRP budget cycle. I have raised this, with the Head of Service who has assured me that the senior management team have identified a range of actions designed to deliver consistent and accurate information and an appropriate ownership of the issue by the relevant team and senior manager.

In addition the Group Accountant is working on more detailed trend analysis and a cycle of monthly reporting on high risk budgets that will report every month in the year. There may be some capacity issues here and this will be examined over the course of the next months

The cost pressures are extra-ordinary when compared to the previous trends when looked at in the round and there was very limited scope to identify whether or not these pressures were likely to continue until the September budget monitor

I have asked the group accountant to confirm each month that the data they receive from the service is acceptable

Budget Monitoring Position – September 2016

Finance

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	2,664	2,664	2,664	2,664	2,664	2,742	2,742	2,742	2,742	2,742	2,742	2,742
Forecast (£'000)	2,664	2,664	2,674	2,661	2,674	2,705	2,705	2,705	2,705	2,705	2,705	2,705
Variance (£'000)	0	0	10	-3	10	-37	-37	-37	-37	-37	-37	-37

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042	3,042
Forecast (£'000)	3,042	3,042	3,019	3,000	3,008	3,014	3,014	3,014	3,014	3,014	3,014	3,014
Variance (£'000)	0	0	-23	-42	-34	-28	-28	-28	-28	-28	-28	-28



DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	222	222	222	222	222	222	222	222	222	222	222	222
Savings Realised (cumulative) (£'000)	222	222	222	222	222	222	222	222	222	222	222	222
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREA OF RISK	Budget	Forecast	Variance	Status	Comments
	£'000	£'000	£'000		

Budget Monitoring Position – September 2016

Finance

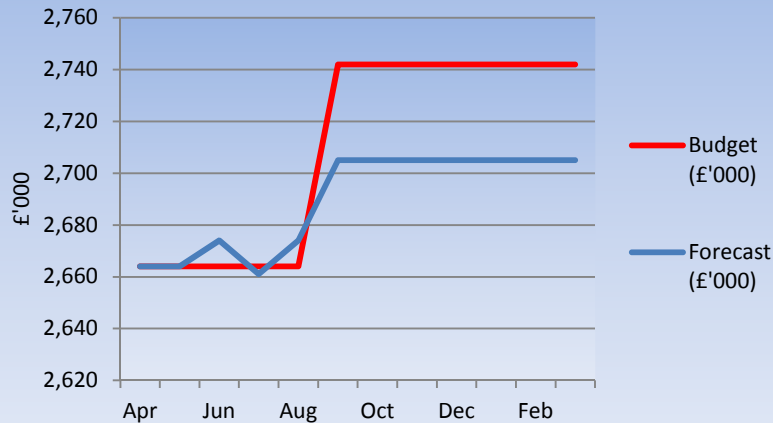
SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
<i>Bank Charges - the number of cards being used have increased</i>	0	0	21	21	21	0						
<i>Council Tax - Printing and a reduction on the income projection for court fees</i>	0	0	8	8	8	8						
<i>NNDR income based on current grant claim for 2016/17</i>	0	0	0	40	40	38						
<i>Strategic Procurement - Savings on NPS</i>	0	0	0	-27	-27	-27						
Variance (£'000)	0	0	29	42	42	19	0	0	0	0	0	0

Movement since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	There were a number of vacant posts at the start of the year, which has meant that the vacancy provision has been met within the first part of the year. However, as this will no longer be the case going forward, this will be difficult to do going forward in 2017/18.
	There is agency staff being used to complete a significant piece of work, which initially was believed that this could be funded externally. However, this is no longer the case and will create additional pressure if the contract is extended to complete the piece of work.

Budget Monitoring Position – September 2016

Finance

Finance
2016/17 Forecast History



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Head of Service Commentary

Management actions to address position:

Key Budget Variances

Small underspend.

Not many vacancies in service but turnover factor has been achieved and extending vacancies we have has mitigated costs of a long term ten we need to keep to fulfil important work on Friar's Walk.

Small overspend on court costs income and lower NNDR admin grant income mitigated by saving on Procurement cost of NPS

Non Delivery of MTRP Savings

All on target

BMS Submission Data

% of cost centres submitted by budget holder deadline

%

82%

Budget Monitoring Position –September 2016

Finance

Head of Service Commentary

Head of Service comments/ summary:

All cost centres being forecasted – there are a small No of dormant one's used only at Year-end that is linked to this PI – which is incorrect and causing the 82% result. They are being 'de-linked'.

Budget savings within MTFP have been delivered.

Small overall underspend – with few variances in individual budget. Small positive variance in staff and NPS costs more than offset negative variances in court costs income and NNDR grant income .

Strategic Director Commentary

Strategic Director comments:

Whilst there are some variances within individual service areas, the overall position within the Corporate Services is showing a small underspend. This demonstrates good overall financial management.

Budget Monitoring Position – September 2016

Law & Regeneration

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,474	6,474	6,474	6,486	6,486	6,521	6,521	6,521	6,521	6,521	6,521	6,521
Forecast (£'000)	6,474	6,474	6,461	6,491	6,537	6,509	6,509	6,509	6,509	6,509	6,509	6,509
Variance (£'000)	0	0	-13	5	51	-12	-12	-12	-12	-12	-12	-12

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	5,868	5,868	5,868	5,880	5,880	5,915	5,915	5,915	5,915	5,915	5,915	5,915
Forecast (£'000)	5,868	5,868	5,846	5,936	5,958	5,990	5,990	5,990	5,990	5,990	5,990	5,990
Variance (£'000)	0	0	-22	56	78	75	75	75	75	75	75	75

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	330	330	330	330	330	330	330	330	330	330	330	330
Savings Realised cumulative (£'000)	330	330	330	330	330	315	315	315	315	315	315	315
Variance (£'000)	0	0	0	0	0	-15	-15	-15	-15	-15	-15	-15
Undelivered savings from previous years (£'000)	53	53	53	53	53	53						
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
CCTV Income	-243	-151	90	R	Confirmed income for 16/17
Land Charges	-142	-150	-8	G	Increase based on outturn for 15/16
Public Protection Income Overall	-823	-811	12	R	Reduced EH licences and kennel income

Budget Monitoring Position –September 2016

Law & Regeneration

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
CCTV maintenance saving	0	0	-30	-30	0	0						
Staffing	0	0	0	39	49	29						
Reduced Dog Control income offset with supplies	0	0	0	0	15	14						
Council Newspaper	0	0	0	0	0	-7						
Reduced Insurance Premiums	0	0	0	0	0	-10						
Total	0	0	-30	9	64	26						

Changes since last month

Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)



CCTV income has been reduced by £90K. This is based on confirmed users for 16/17. The CCTV income was also lower than budget in 15/16 by £80K although this was considered permanently mitigated against in the maintenance contract.



Licensing income for Houses in Multiple Occupation could be a potential risk in 2016/17 due to the fluctuating nature of renewals and new licences which are influenced by the property market and a range of UK Government Policies. In addition, new legislation in Wales requiring the licensing of landlords may deter some from the market. The impact of these issues on the income for the Service Area is unknown. In 2015/16 this income was lower than budget by £44K.

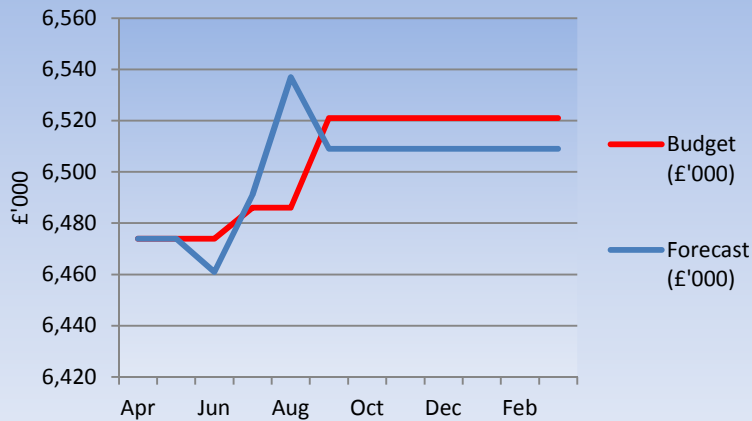


At the current time, staffing for Registrars is expected to be over budget by £41K. The service needs to cover all posts to allow the public to discharge their legal duty to register therefore overtime costs and the use of casual staff is relatively high.

Budget Monitoring Position – September 2016

Law & Regeneration

Law & Regulation
2016/17 Forecast History



Head of Service Commentary

Management actions to address position:

Key Budget Variances

- There are a number of options being investigated to permanently mitigate against the underachievement of CCTV. Currently tenders are being submitted to provide the CCTV service to other authorities, which could help significantly bridge the gap.
- Staffing for the Registrars is being closely monitored due to the current overspend. This is due to employees being off on long term sickness which is being managed with a view to employees either returning to work shortly or mutual termination on medical grounds.

Non Delivery of MTRP Savings

- There are no MTRP savings within Law and Regulation for 2016/17 that are not expected to deliver.
- There is, however, a carry forward MTRP saving from 2015/16 which has a balance of £52k

BMS Submission Data

BMS Submission Data	%
% of cost centres submitted by budget holder deadline	73

Budget Monitoring Position – September 2016

Law & Regeneration

Head of Service Commentary

Head of Service comments/ summary:

The projected overspend of £50k in August has been off-set by funding being secured to cover the salary costs of the Conveyancing Officer post, so that the overall budget is now back on track, with a small projected under-spend. There are pockets of overspend and pressures in certain areas, but these are being managed and off-set by underspends in other areas. The staffing costs within the Registration Services continue to increase, due to the extended use of casual staff to cover for long-term sickness absences during the peak periods in the Summer months. However, this should be stabilised now that the long-term absences have been resolved and the number of ceremonies reduces.

The one area of continuing risk is the under-recovery of CCTV income due to the failure to secure contracts with Monmouthshire and Torfaen. However, this is being mitigated through a combination of maintenance contract savings, alternative proposals for CCTV monitoring work for other councils and options for re-structuring the service.

Strategic Director Commentary

Strategic Director comments:

Whilst there are some variances within individual service areas, the overall position within the Corporate Services is showing a small underspend. This demonstrates good overall financial management.

Budget Monitoring Position – September 2016

People & Business Change

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,371	6,371	6,371	6,371	6,401	6,415	6,415	6,415	6,415	6,415	6,415	6,415
Forecast (£'000)	6,371	6,371	6,361	6,326	6,336	6,353	6,353	6,353	6,353	6,353	6,353	6,353
Variance (£'000)	0	0	-10	-45	-65	-62	-62	-62	-62	-62	-62	-62

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	4,988	4,988	4,988	4,988	5,019	5,019	5,019	5,019	5,019	5,019	5,019	5,019
Forecast (£'000)	4,988	4,988	4,979	4,980	4,941	4,928	4,928	4,928	4,928	4,928	4,928	4,928
Variance (£'000)	0	0	-9	-8	-78	-91	-91	-91	-91	-91	-91	-91

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	411	411	411	411	411	411	411	411	411	411	411	411
Savings Realised (£'000)	411	411	411	411	411	401	401	401	401	401	401	401
Variance (£'000)	0	0	0	0	0	-10	-10	-10	-10	-10	-10	-10
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
IT – Shared Resources Services	-70	-70	0	Amber	The Business case has now been submitted to the SRS Formal Board

Budget Monitoring Position – September 2016

People & Business Change

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Mail Room Clean Mail rebate	0	0	-17		-27	-23						
Youth Support Service	0	0	16									
HR Staffing	0	0		-16	-36	-34						
Business Development Staffing	0	0		-8	-7							
IT				-9	23	29						
Training Unit - Running Costs					-20	-20						
Variance (£'000)	0	0	-1	-33	-67	-48	0	0	0	0	0	0

Change since last month

Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)



There is an MTRP target within 2016/17 for £70k which assumes that the IT department will enter into a partnership with the SRS. If this does not go ahead, there will be a significant pressure going forward into 2017/18, as there will need to be significant investment within the IT service if it remains in house. The business case has now been submitted to the SRS board, any associated costs to moving to the SRS in 2016/17 have been forecast to be absorbed within the current budget.



The STEP project currently makes a contribution to the IT service of approximately £300k. This contributes to the general infrastructural costs of IT, from which schools benefit. If any schools decide not to renew their contract there is potential for there to be a proportionate impact on the overall IT budget.

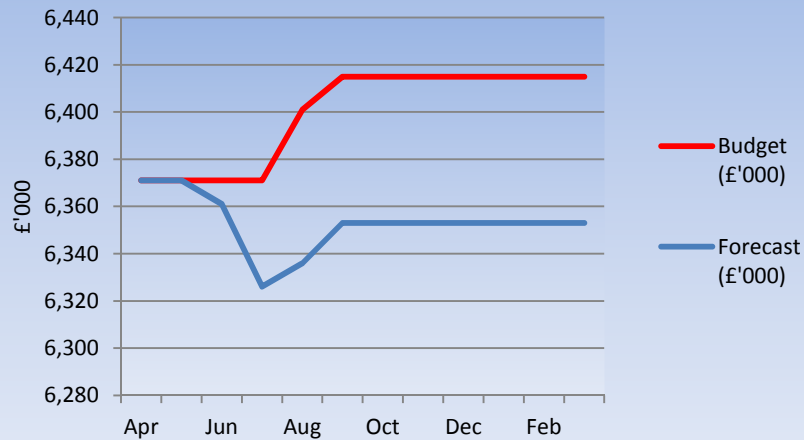


A budget pressure of £280k was considered as part of the 16/17 budget setting process to meet the requirements of the Welsh Language Standards. Not all Standards are active so it is not yet possible to fully forecast with any accuracy the position at year end. The position is being managed and will require close monitoring.

Budget Monitoring Position – September 2016

People & Business Change

People & Business Change
2016/17 Forecast History



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BMS Submission Data

% of cost centres submitted by budget holder deadline

%

95%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- We have seen a slight reduction in the variance for September (£3k). There has been a reduction in the Fairer Funding allocation from schools to IT, partially offset by the removal of a budget pressure within printing. The budget overall is being managed well.

Non Delivery of MTRP Savings

- The decision of whether SRS goes ahead could impact on the £70k MTRP savings. However, in preparing the service for transfer it is likely that we will resolve this potential pressure prior to transfer.
- We have a current issue with Street Naming and Numbering (£10k) which we are investigating.

Budget Monitoring Position – September 2016

People & Business Change

Head of Service Commentary

Head of Service comments/ summary:

Budgets across the Service Area have seen a slight variance in September which are not concerning. We have ensured that we can meet the cost implications of movement to SRS (£44k for 16/17) and also support the overall Council budget position.

The risk associated with the development of a partnership with the SRS is rightly highlighted. Not only are the £70k MTRP savings attached to this but failure to progress to the SRS would incur significant additional cost for NCC. The final business case has been submitted to the SRS Board. They have undertaken a process of due diligence and will report back to the Board on 18.10.16.

Strategic Director Commentary

Strategic Director comments:

Whilst there are some variances within individual service areas, the overall position within the Corporate Services is showing a small underspend. This demonstrates good overall financial management.

Budget Monitoring Position – September 2016

Regeneration, Investment & Housing

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	-	-	9,013	9,013	9,013	9,026	9,026	9,026	9,026	9,026	9,026	9,026
Forecast (£'000)	-	-	9,404	9,307	9,155	9,137	9,137	9,137	9,137	9,137	9,137	9,137
Variance (£'000)	-	-	392	294	143	111	111	111	111	111	111	111

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	-	-	4,890	4,890	4,891	4,891	4,891	4,891	4,891	4,891	4,891	4,891
Forecast (£'000)	-	-	4,913	4,884	4,809	4,798	4,798	4,798	4,798	4,798	4,798	4,798
Variance (£'000)	-	-	23	6	82	93	93	93	93	93	93	93

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	-	948	948	948	948	948	948	948	948	948	948	948
Savings Realised (£'000)	-	928	928	928	928	928	928	928	928	928	928	928
Variance (£'000)	-	20	20	20	20	20	20	20	20	20	20	20
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
Development Control Fees	646	633	13	R	Variance is due to removal of a large application in year.
Building Control Fees	230	230	0	G	Currently on target. However, upcoming winter months have to be closely monitored.
Commercial & Industrial properties Income	1,110	1,143	(33)	G	detailed analysis being completed following monthly meetings with Newport Norse

Budget Monitoring Position – September 2016

Regeneration, Investment & Housing

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Private Sector Housing	-	-	7	5	5	78						
Adult Education	-	-	104	108	33	43						
Homelessness	-	-	61	58	50	67						
Centralised Properties	-	-	134	100	20	25						
Provision Market	-	-	50	177	178	178						
Total			342	238	276	341						

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Change in the month

Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)



Adult Education (AE) - **Current overspend £43k** in respect of income under recovery. BIP review is still on going. The department is due to receive an NNDR rebate now they have officially vacated the Charles St site, this credit has though been offset by two final redundancy payments and a further decline in income expected for examination and course fee's.









Development Services - **Current overspend £13k** in respect of a planning fee income under recovery; the forecast is based on known large applications expected in year and a straight line projection on smaller household applications, the forecast could change if any significant building works are delayed or cancelled or conversely a large windfall application is received.



Youth Services – **Current Underspend £3k** In prior months the forecast has included a pressure of £30k for dilapidation works required for the information shop; given negotiations are not progressing and the quote value is varying from the £80k we were initially given by Norse colleagues the manager has made the decision to remove the additional pressure.

Budget Monitoring Position – September 2016

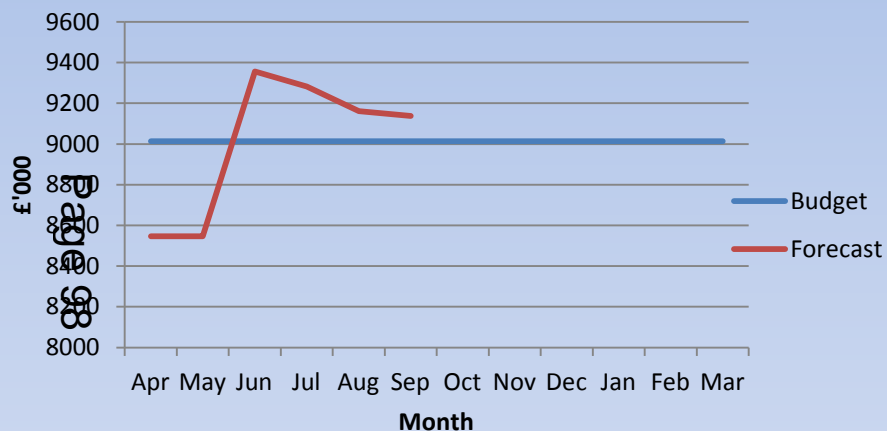
Regeneration, Investment & Housing

Change in the month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>Homelessness - Current overspend £67k the provision of accommodation is subject to a degree of variance owing to the demand placed on the service at any given time; this is difficult to forecast and will remain volatile throughout the year. During September there has been an increase in costs as a result of blockages within temporary accommodation, the manager will, as always continue to closely monitor these accounts.</p>
	<p>Play Development – Current overspend £28k a cabinet member decision to increase the play provision in the city has meant the service area is expecting a permitted overspend at year end .</p>
	<p>Private Sector Housing – Current overspend £78k a review of the Private Sector Housing budget is currently underway; the manager has now determined the figure for the statutory service costs of the Disabled Facilities Grants and reduced the income forecast accordingly. There is ongoing work required with regards the fees which could result in a further reduction of income, the forecast will be updated as soon as the position is known.</p>
	<p>Provision Market – Current Overspend £178k An additional one-off £50k overspend to enhance the market conditions along with an overspend of £30k for promoting the market is planned as the income for the year is predicted to be £97k lower than budget.</p>
	<p>Centralised Properties – Current Underspend £25k A recent change in the management structure has resulted in a £67k salary pressure. An additional £40k has been forecasted as part of the Newport Norse Joint Venture agreement mitigated by a manpower under spend (£35k) from vacant posts. The rates budget is underspent by £114k.</p>
	<p>Carbon Reduction - Current Underspend (£90k) A reduction has been made with the amount of Carbon purchased in 16/17. However this will need to be monitored depending on the type of winter period we have.</p>

Budget Monitoring Position – September 2016

Regeneration, Investment & Housing

Regeneration, Investment & Housing
2016/17 Forecast History



Head of Service Commentary

Management actions to address position:

Key Budget Variances

This month there have been significant improvements in dealing with the over spend position, due to concerted effort by the management team - RIH will continue to:

- Reduce spend on supplies and services
- Continue budget analysis to identify ongoing pressures in service
- Continue to implement demand management techniques

Alongside this we will continue to prioritise ongoing financial reviews with managers to maintain the good work achieved during September.

Non Delivery of MTRP Savings

Position unchanged since last month – comment still stands

BMS Submission Data

%

% of cost centres submitted by
budget holder deadline

99

Budget Monitoring Position – September 2016

Regeneration, Investment & Housing

Head of Service Commentary

Head of Service comments/ summary:

The Communities First Grant has been identified as a potential concern and work is being undertaken in the department to identify the risks.

Adult Education / Development Services - All have clear mitigation plans against them and there is confidence that further positive impact can be undertaken on these overspends during October.

Provision Market – Currently there is concern that further work is required to identify a long term strategy around mitigating this particular overspend.

Private Sector Housing – There is further work to be undertaken around the private sector housing fee income; the manager and service manager are working through the issues identified to date and will update the monitoring as soon as the final position is known.

Conclusion / Overview – RIH are confident that the overspend position can be further mitigated during October.

Strategic Director Commentary

Strategic Director comments:

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Budget Monitoring Position – September 2016

Schools

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	89,834	89,834	89,946	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
Forecast (£'000)	89,834	89,834	89,946	92,881	92,500	92,500	92,500	92,500	92,500	92,500	92,500	92,500
Variance (£'000)	0	0	0	2,881	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500

Key Elements of Budget Variances:


STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Forecast (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Savings Realised cumulative (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period		MAY	JUN	JUL	AUG	SEP						

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
Schools	90,000	92,500	2,500	Red	Forecast is for a significant reduction in schools' balances, predominantly planned, which will be updated to reflect changes emerging from Autumn term school visits particularly in light of updated school development plans for the new academic year & adjustments to grant or funding allocations.

Budget Monitoring Position – September 2016

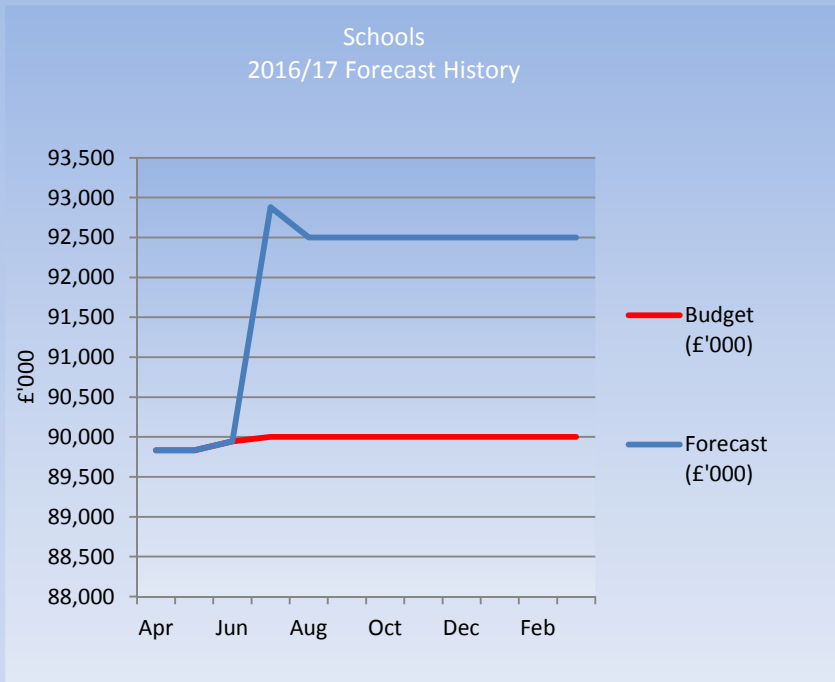
Schools projecting year-end deficits

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Llisbury High					137	137						
Duffryn High					35	35						
Llisbury Primary					5	5						
Malpas CiW Infants					1	1						
Total					178	178						

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	Following Summer term visits and budget-setting schools are anticipating a significant reduction of £2.5m from overall schools' balances. This was largely expected and follows requests to schools to outline how they intended to utilise surplus balances. Up to £2m of this total can be attributed to bringing schools balances below their individual thresholds in the current year. This will be closely monitored and adjusted during the Autumn & Spring term visits to reflect updated school development plans, use of grant allocations or changes to funding and any other significant income or expenditure items.

Budget Monitoring Position – September 2016

Schools



Head of Service Commentary

Key Budget Variances/Issues for HOS to consider.

- Following Summer term visits schools forecast a cumulative reduction in balances of £2.5m. The majority of this expenditure is to bring projected balances below guideline thresholds in the current year. This amount traditionally changes throughout the year, and significantly in some years. Therefore from this initial forecast after the Summer term, regular updates will be provided following budget visits as they take place during the Autumn and Spring terms of 2016/2017.
- Visits will continue as per current SLA arrangements and schools of particular financial concern will be offered support and challenge when visits take place.

BMS Submission Data	%
% of cost centres submitted by budget holder deadline	100

Budget Monitoring Position – September 2016

Schools

Head of Service Commentary

Head of Service comments / summary:

The budget monitor position is unchanged from the August position. The majority of the spend relates to use of surplus balances in excess of individual school threshold levels at 31st March 2016. The net position to the Authority will be zero as the £2.5m projection of expenditure in excess of in-year funding will be drawn from existing schools' balances.

The picture, and the position of individual schools at financial risk, will be continually monitored over the remaining terms of the financial year.

Strategic Director Commentary

Strategic Director comments:

The budget monitor is complete but we expect the net position to be zero for the local authority but around £2.5m will come from current school balances.

The position will be updated as Autumn term visits are undertaken and schools confirm their school development plans.

Budget Monitoring Position – September 2016

Streetscene & City Services

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	16,896	16,896	16,896	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883	16,883
Forecast (£'000)	16,896	16,896	17,401	17,971	17,441	17,342	17,342	17,342	17,342	17,342	17,342	17,342
Variance (£'000)	0	0	505	1,088	558	459	459	459	459	459	459	459

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	10,981	10,981	10,981	10,925	10,925	10,914	10,914	10,914	10,914	10,914	10,914	10,914
Forecast (£'000)	10,926	10,926	10,894	11,303	11,267	11,308	11,308	11,308	11,308	11,308	11,308	11,308
Variance (£'000)	-55	-55	-87	378	342	394	394	394	394	394	394	394

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)			2,215	2,215	2,215	2,215	2,215	2,215	2,215	2,215	2,215	2,215
Savings Realised (cumulative) (£'000)			1,588	1,588	1,526	1,526	1,526	1,526	1,526	1,526	1,526	1,526
Variance (£'000)	0	0	627	627	689	689	689	689	689	689	689	689
FIP Reconciliation period	APR	MAY	JUN	JUL	AUG	SEP						

Budget Monitoring Position – September 2016

Streetscene & City Services

AREA OF RISK	Budget	Forecast	Variance	Status	Comments
	£'000	£'000	£'000		
External Trade Waste Income	-598	-710	-112	G	Full Year actuals in Apr, changes likely in year
WDS Commercial income	-625	-435	190	R	The loss of a major contract to Trident Park has resulted in reduced income
WDS Asbestos income (MTRP)	-350	-90	260	R	A delay in the opening of the asbestos cell (opened 5 Sept) and unknown market for asbestos waste
WDS Recyclate/On Ac/Cash Income	-272	-197	75	R	A reduction in the use of the site by cash and "on ac" customers, together with reduced recycling income due to reducing market for recyclate
Waste Grant (inc MTRP)	858	1,177	319	R	£80k MTRP pressure for the delay in the roll out of the card collection service; £79k additional vehicle/plant hire costs in relation to replacement to plant that was purchased originally from the grant which is in need of renewing but no funds available to purchase; £73k for the purchase of Wastesavers kerbside boxes and food waste bags as a result of increased resident use following the Doorstepping Campaign; £87k increased costs for waste being sent for sorting in order to achieve the recycling target
CA Site Disposal	516	586	70	R	Increased tonnages due to householders disposing of extra black bag waste at the CA Site since the introduction of smaller bins
Cemeteries income	-655	-655	0	A	This budget is volatile and it's achievement depends on several factors. The forecast for Sept is on target but the actual outcome will not be known until year end.
Car Parks Income	-539	-514	25	A	The success of the budget is dependent on a number of external factors, so the final figure will not be known until year end.








Budget Monitoring Position – September 2016

Streetscene & City Services

Significant Variances	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Potholes	0	0	300	300	300	300						
PINT	0	0	50	50	50	50						
Operations	0	0	0	-183	-344	-483						
Contact Centre	0	0	0	55	55	56						
Benefits	0	0	0	57	57	46						
Asset & Water Management	0	0	0	0	-355	-355						
External Trade Waste	0	0	0	-97	-113	-113						
Waste Disposal Site commercial Income	0	0	207	239	239	190						
Waste Disposal Site Asbestos Income	0	0	50	260	260	260						
Waste Disposal Site Recycle & other income	0	0	0	70	70	75						
Waste Grant	0	0	80	318	307	319						
Civil Amenity site Disposal costs	0	0	0	70	70	70						








Budget Monitoring Position – September 2016

Streetscene & City Services

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>Waste Disposal Site Commercial Income – current overspend £190k in respect of under recovery of income. Loss of major contract at the end of 15/16 (now using Trident Park incineration plant) has resulted in a forecasted loss of income; a current review of the Waste Disposal Site is being undertaken by external consultants. The forecast is likely to change month on month depending on any additional commercial contracts being gained or further loss of contracts throughout the year.</p>
	<p>Waste Disposal Site Asbestos MTRP target – current overspend £260k in respect of under recovery of income target. Current MTRP savings for opening of an asbestos cell at the waste Disposal Site was expected to generate an additional £350k in 1617. The cell opened 5 September 2016 and further reports will monitor future income streams. Due to the initial negative response from the market since the opening of the asbestos cell the £260k pressure on MTRP could increase by a further £50k. To be reviewed for October monitor.</p>
	<p>Waste Grant - current overspend £319k. The weekly card collection rollout MTRP 1617 target– current overspend (£80k) due to delay in implementation; increased hire of vehicle costs.(£79K); kerbside boxes and bags (£73k) and additional waste sent for sorting (£87k) to achieve the recycling target.</p>
	<p>School crossing patrols – current underspend (£41k) in vacancy savings in relation to 8 posts currently held vacant.</p>
	<p>Contact Centre – net overspend £55k predominantly related to vacancy provision. The Contact Centre is a frontline service with a requirement to maintain a full complement of staff at all times hence the budgeted vacancy provision of £60k is unachievable .</p>
	<p>Benefits – net overspend £57k arising from an overspend relating to vacancy provision £50k, postage £38k and IT £19k costs which have been offset by additional grant income £63k.</p>
	<p>Asset & Water Management – Current Underspend £355k. Spending has been deferred within Asset & Water Management as part of the Operations analytical review in order to cover the deficit in waste. Further analysis will be needed and the budget closely monitored to ensure forecast correct.</p>

Budget Monitoring Position – September 2016

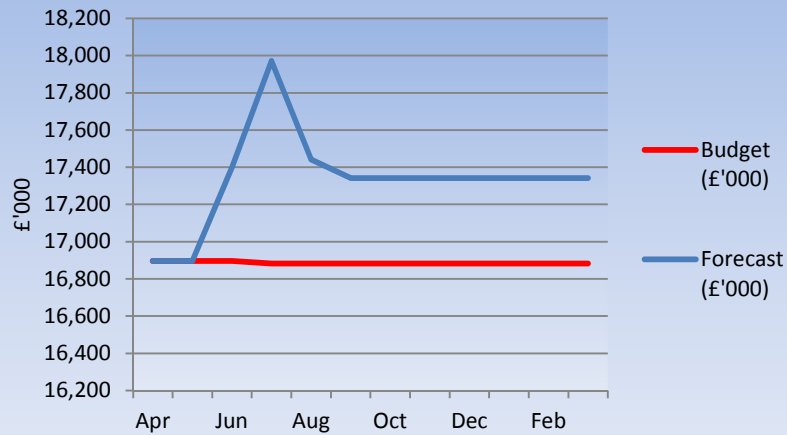
Streetscene & City Services

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>Drainage Operations – Current Underspend £258k. A number of high profile projects are not being completed due to changes to operational staff and the need to defer spending in order to cover the deficit in waste. The winter weather can have significant ability to change these forecasts so needs to be closely monitored.</p>
	<p>Fleet Management – Current Underspend £150k A full and detailed analysis of the forecast was completed at the beginning of the financial year and a number of decisions regarding spend were made. Main reason for underspend is over-recovery of income and a potential underspend in R&M.</p>
	<p>Contracts & Projects Team – Current Underspend £163k. A recent vacancy which will not be filled in 16/17 has produced an in year saving of £20k. This can be included to the COBRA recharges which are charges for work completed on Capital projects and is not a budgeted income. Forecasts are expecting £120k.</p>
	<p>Grounds Maintenance – Current Overspend £158k. A number of key external contracts were lost which has reduced the amount of income that will be generated by £100k. A reduction in the use of Agency staff has reduced the spend by £20k which has offset the number of seasonal employees adding to the costs, despite the number being halved when compared to previous years, this has increased the overspend by £80k as this is not budgeted.</p>
	<p>Routine Maintenance – Current Underspend £237k Significant in-year underspends have been declared within this cost centre through deferring work to assist with mitigating other overspends. This cost centre has also seen the movement of the “permitted overspend” for Potholes being placed within Routine Maintenance.</p>
	<p>Street Cleansing – Current Overspend £103k: A number of VR’s were completed but not in the allocated original timeframe. This resulted in additional staff salaries being paid within the first part 16/17.</p>
	<p>Response Team – Current Overspend £229k. The team is no longer being used in the same capacity as previously and the expected recharges income target of £309k will not be achieved due to the changes. Adjustments to the forecast have been made to bring this into a more realistic target of £100k.</p>

Budget Monitoring Position – September 2016

Streetscene & City Services

Streetscene & City Services
2016/17 Forecast History



Head of Service Commentary

Management actions to address position:

Key Budget Variances

The comprehensive review of budget forecasts referred to last month has halved the projected budget variance.

Non Delivery of MTRP Savings

BMS Submission Data	%
% of cost centres submitted by budget holder deadline	48

Budget Monitoring Position – September 2016

Streetscene & City Services

Head of Service Commentary

Head of Service comments/ summary:

Significant non-urgent works have been deferred to bring down the forecasted overspend and mitigate pressures on the waste budgets.

There are some risks in deferring planned works for example in drainage, however these are manageable as a one-off mitigating measure.

We are down to £100k above the £350k permitted overspend for potholes and fly tipping. I anticipate this will reduce further in Q3.

Strategic Director Commentary

Strategic Director comments:

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Report

Cabinet

Part 1

Date: 14th November 2016

Item No:

Subject **Capital Programme Monitoring and Additions September 2016**

Purpose To submit to Cabinet for approval, requests for new capital schemes to be added to the Council's Capital Programme.

To update Cabinet on current spending against the Capital Programme schemes highlighting the forecast outturn position for the programme as at September 2016.

Author Senior Finance Business Partner (Capital)

Ward All Wards

Summary The report requests that new schemes be added to the programme.

The report also updates Cabinet on the capital expenditure forecast position and the current position regarding capital receipts.

Proposal **To approve the additions to the Capital Programme requested in the report.**

To note the capital expenditure forecast position as at September 2016 and to note and approve the 'risk' in spending on approved 21C schools projects before confirmation of WG match funding is confirmed.

To note and approve the allocation of in-year capital receipts.

Action by Assistant Head of Finance

Timetable Immediate

This report was prepared after consultation with:

- Heads of Service
- Accountancy teams for relevant service areas
- Relevant Service Area Project Managers
- NORSE Property Services

Signed

Background

- In February 2014, the Council approved a four year Capital Programme to cover the financial years 2014/15 to 2017/18 totalling £80.551 million. We are now in the third year of the four-year programme, and over time changes have been made to the programme to revise the total budget to £119.684 million. The table below summarises the changes made to date:

Report	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	Total £000's
	Budget	Budget	Budget	Budget	
Original Programme	42,619	12,222	11,414	14,296	80,551
	Actual	Budget	Budget	Budget	
Capital Programme Outturn Report 14/15	27,197	39,993	27,813	20,063	115,066
Capital Programme Monitoring and Additions January 2016	27,197	26,146	39,036	18,198	110,577
	Actual	Actual	Budget	Budget	
Capital Programme Outturn Report 15/16	27,197	25,783	42,137	18,198	113,315
Capital Programme Monitoring and Additions July 2016	27,197	25,783	46,823	18,198	118,001
This Report	27,197	25,783	48,131	18,573	119,684

- The changes to the capital programme identified in this report have increased the overall size of the remaining two year programme by £1,683k. The resulting changes to the funding of the capital programme are:
 - Increase in external grant – £1,298k
 - Increase in unsupported borrowing – £385k
- Responsible officers have written to all Heads of Service to request discussions on emerging priorities in terms of corporate capital investment needs over the medium term, in order to inform the new rolling four-year capital programme to begin in 2017/18. In addition, the new Corporate Plan and administration will also be key factors in developing the new programme. It is important that project budget managers continue to provide accurate projections of expenditure, due to slippage and borrowing implications.
- Cabinet will note that budgets are likely to be subject to significant change depending on the decisions made following the recent submission by the Education service area to Welsh Government. This submission requests an extension to the current approved funding envelope on a match funding basis in order to address the current forecast shortfalls in project budgets. Cabinet have already approved the actual projects but their funding solution can't be confirmed until WG review the Council's submission for match funding. It is important to note that, until a decision is made by WG on the availability of grant funding, a number of projects are currently progressing at a risk that the full financial cost of the shortfall will be borne by the Council. Delaying progress on these schemes would otherwise incur avoidable costs and jeopardise completion deadlines. Current budgets and funding will be updated in January after WG decision on match funding

Changes to the approved Capital Programme

- New schemes are listed in Appendix A and are requested to be added to the capital programme. Appendix B of this report shows the revised 2016/17 programme, including the proposed schemes. These programme changes are outlined in the following paragraphs.
- Jubilee Park Primary School FF&E (£385k)** – this primary school is currently being built for NCC by a Housing Developer as per their planning agreement, in lieu of a S106 payment. Such

developer-led schemes do not include the provision of fixtures, furniture and equipment for the building that is constructed. As identified in the Education Capital Programme report presented to Cabinet recently, the fit-out costs will need to be incurred before the school opens in September 2017. The budget has been profiled accordingly to reflect minimal spend in this financial year with the majority of activity taking place in 2017/18. Relevant orders will now be placed against this allocation, which is expected to be funded via borrowing.

- **Flying Start (£100k)** – following the return of tenders higher than the previously approved grant budget of £699k, and a revision to the scope of works to be undertaken, Welsh Government have approved an additional £100k of grant to the Bridge Centre remodel and refurbish scheme. NCC will contribute up to an additional £49k from existing capital programme resources.
- **Gypsy/ Traveller Site Development (£986k)** – Welsh Government have recently approved grant funding for this scheme, which increases the existing budget allocation to the required level.
- **Substance Misuse Action Fund (£212k)** – NCC acts as an agent, administering this grant on behalf of WG, who provide full funding for applicable schemes annually. Three schemes have been confirmed to date for 2016/17.

2016/17 Capital Expenditure Position as at September 2016

- The 2016/17 capital programme allocation now totals £48,131k. Capital expenditure incurred up to the end of September 2016 totalled £8,139k. An update on the headline/ high value schemes is provided in the next section; Appendix B summarises the progress on the remainder of this year's programme.

Service Area	Approved Budget 2016/17 £000's	Forecast Outturn £000's	Variance: Slippage £000's	Variance: (Under)/ Over Spend £000's
Education	24,154	18,997	(5,604)	447
Regeneration, Investment & Housing	13,057	11,332	(1,704)	(21)
Customer Services & Digital Innovation	1,014	530	(201)	(283)
People & Business Change	3,185	0	(85)	(3,100)
Law & Regulation	179	179	0	0
Adult & Community Services	445	445	0	0
Children & Young People Services	55	55	0	0
Streetscene & City Services	6,042	4,873	(689)	(481)
TOTAL	48,131	36,411	(8,282)	(3,438)

Update on Headline/ High Value Schemes

Education

- The budgetary issues surrounding the 21st Century Schools (21CS) programme were presented and explained to Cabinet at their September meeting. The budget shortfalls have now been discussed with Welsh Government and formal requests for additional grant funding on a match basis have been submitted. Whilst a favourable outcome is anticipated, the decision will not be confirmed to

NCC until January 2017. The budgetary impact of those decisions will therefore be reflected in the capital programme at that time.

- Of the schemes that are currently subject to a funding gap, the ASD Facility at Gaer Primary and Ysgol Gyfun Gwent Is Coed / John Frost School projects are progressing with construction works on site. The former is scheduled to complete by December 2016, with the latter on schedule to be completed by September 2017. These projects will need to be funded regardless of the outcome of the Welsh Government submission for additional grant funding, which creates a risk that NCC may need to undertake additional borrowing (and its associated revenue costs) up to a maximum of £12,235k to fund the entire budget gap on these two projects.
- The other issue highlighted to Cabinet in September involves the cost of furnishing and equipping new schools that are Developer-led constructions, with a handful of such schools due to come into operation over the medium term. The first example of this is Jubilee Park Primary, as detailed earlier in this report.
- The current slippage forecast of £5,604k is mostly due to the delays in progressing the 21CS schemes for Caerleon Lodge Hill and various Demountable Replacements. These projects will continue as agreed by Cabinet, whilst additional grant funding is being sought from Welsh Government. Expenditure from the existing budget of £5,000k for Lodge Hill will continue, but a shortfall of £1,000k will need to be funded in 2017/18 when the project reaches its latter stages. No additional funding is required for the Demountable Replacement programme, as the £3,000k 21CS budget, is supplemented by S106 Contributions of £681k. The forecast total cost for the four school schemes under this umbrella is currently estimated to be in the region of £3,425k. The phasing of remaining budgets for key Education schemes will need to be re-visited again.

Regeneration, Investment and Housing

- The majority of the 2016/17 (Year 3) Vibrant & Viable Places allocation is assigned to the redevelopment of 123-129 Commercial Street. Heads of Terms have now been exchanged on the final property that needs to be acquired to complete land assembly for the scheme, with the planning application due to be considered in January. It is likely that the majority of the £3.1m allocated will be defrayed in early 2017. A number of large-scale and smaller projects at Griffin Island and Cardiff Road are nearing completion, which will accelerate financial expenditure over quarter 3. A project to instate new public space at the land formerly occupied by 86-87 Commercial Street and the Kingsway snooker club will also commence in early 2017 subject to planning approval. A number of loan repayments in respect of the Kings Hotel development have been received to date, with the final outstanding balance due to be paid in November 2016. These loan repayments form part of the remaining Year 3 budget.
- Newport Norse continue to work to their schedule of priority works under the Asset Management programme, and currently forecast slippage on delivery of around £442k which will need to be added to the 2017/18 allocation.
- Gypsy/ Traveller Site Development – the Council's commitment of £1,277k has now been supplemented by WG grant of £986k, to be spent by 31st March 2017. Any slippage of NCC funding into 2017/18 is anticipated to be aided by further grant funding from WG, with the required bid due to be submitted by responsible officers in November 2016.

Customer Services and Digital Innovation

- The IT System & Equipment Replacement Programme remains ongoing on a restricted basis due to the potential move to the Shared Resource Service model. Future years' allocations will then be reviewed accordingly to reflect remaining needs for NCC on annual basis.
- Superconnected Cities Broadband Voucher Scheme – expenditure on this scheme has now completed with an underspend as a result of demand and uptake being lower than originally forecast

in 2014/15. The Department of Culture, Media & Sport are now processing outstanding grant drawdowns submitted by NCC.

People and Business Change

- The capital programme amount earmarked for Scheme Preparation (£100k) currently does not have any schemes identified against it, but proposals may come forward before year-end. The Change & Efficiency (£3,000k) budget is unlikely to be required for 2016/17 so an underspend of the entire allocation is forecast.

Law and Regulation

- CCTV Monitoring Service – this scheme remains in progress. Service Managers are currently awaiting detailed costings from Newport Norse for the building works required in order for the service to relocate. Officers are confident that the remaining budget of £179k will be fully spent by 31st March 2017.

Adult and Community Services

- Both the Telecare Service Equipment and GWICES schemes are progressing as planned. Three Substance Misuse Action Fund projects have now been approved by Welsh Government as detailed earlier in this report.

Children and Young People Services

- Works are in progress on the refurbishment of Brynglas Hostel in order to facilitate the Youth Offending Service team move; these are scheduled to complete by the end of November 2016.

Streetscene and City Services

- Fleet Replacement Programme – vehicle purchases remain ongoing, with an underspend of £481k forecast against the budget allocation of £1,880k this year.
- Waste Disposal Site Finishing & Development – works are ongoing at the site, while options are currently being considered for future operational delivery. Necessary works on the access road to the asbestos cells have commenced, so that income generation from users can be maximised in the short term.
- Schemes are ongoing under the sub-headings of road safety, street-wide improvements and lighting column replacement, within the £674k budget for Highways Capital Maintenance. Full spend is anticipated for 2016/17, with a number of carriageway resurfacing schemes planned.

Update on Capital Receipts

- The current position on capital receipts is shown below. The value of receipts earmarked as match funding for the 21CS Programme Band A has exceeded its original target of £7.5m. Cabinet have already agreed via previous capital programme monitoring reports that the target now needs to be revised to at least £9.5m (of which £311k has been spent in previous years) given the cost pressures currently being faced within the 21CS Programme, including the need to reduce the borrowing requirement on the Welsh Medium Secondary School project.
- Norse Property Services anticipate that a further £1.3m of capital receipts on property disposals should be achieved by the end of the financial year, in addition to the sums already received as per the table below.

Asset Disposed	Receipts Balance b/f	Receipts Received in Year	Total Available Receipts 2016/17	Receipts Earmarked For:	
				21st Century Schools	Fleet Replacement Programme
	£	£	£	£	£
Balance b/f 2015/16	7,449,724		7,449,724	7,427,574	22,150
Reevesland Industrial Estate Plot C		160,000	160,000	160,000	
Land at Colinda 112 Marshfield Rd		10,500	10,500	10,500	
New Willows 9 Tennyson Avenue		251,000	251,000	251,000	
Land south of Drenewydd Reen, Wentloog		55,000	55,000	55,000	
Vehicle Disposals		29,994	29,994		29,994
TOTAL NCC RECEIPTS	7,449,724	506,494	7,956,218	7,904,074	52,144

- The table below shows capital receipts held for Newport Unlimited, which are attributable to the previous joint arrangement between Newport City Council and Welsh Government. As reported previously, we are still awaiting a decision by Welsh Government as to clarification of what regeneration projects these funds can be used for.

Capital Receipts Held for Newport Unlimited	Balance b/f	Receipts Received in Year	Balance c/f
	£	£	£
Balance b/f 2015/16	609,376		609,376
TOTAL NU RECEIPTS	609,376		609,376

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Overspend against approved budget	M	L	Regular monitoring and reporting of expenditure in accordance with the timetables set by Cabinet/Council should identify any issues at an early stage and allow for planned slippage of spend.	Corporate Directors / Heads of Service / Head of Finance
Programme growing due to unforeseen events	M	M	Good capital monitoring procedures and effective management of the programme should identify issues and allow for plans to defer expenditure to accommodate urgent works. Priority asset management issues are now being dealt with through a specific programme allocation.	Corporate Directors / Heads of Service / Head of Finance

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

- The programme supports a large number of the Council's aims and objectives.

Options Available

- To approve the changes to the Capital Programme and note the monitoring position as set out in the report.
- The Cabinet has the option not to put forward some or all of the changes to the Capital Programme set out in the report.

Preferred Option

- To approve the changes to the Capital Programme and note the monitoring position as set out in the report.

Comments of Chief Financial Officer

The report shows a number of schemes that need to be addressed by service areas, with slippage forecast to be around 17% of the approved budget; which is a large variance. It is important that projects are monitored robustly and forecast overspends (and slippage requests) informed to the Head of Finance at the earliest opportunity but ultimately, the realism of budgets and deliverability requires further work. Significant work was completed in 2015/16 on re-phasing the current programme but more slippage is now being incurred. As the report shows, Education 21CS projects remain the main problem areas and this will need further work now to review and re-base the budgets, in conjunction with the development of the new capital programme, beginning 2017/18

The decisions to be made by Welsh Government in relation to the Education projects will be key to the monitoring position and the overall capital programme detailed above. As noted in the report – spending on some projects have continued / started for operational and other reasons but until such time as WG match funding is confirmed, Cabinet should appreciate, and approve, that this is being done 'at risk', though the risk is seen as low at this time.

The forecast outturn position will continue to be monitored as this informs the Council's borrowing forecasts and MRP pressures in the Medium Term Financial Plan.

Comments of Monitoring Officer

There are no legal issues arising from this report.

Staffing Implications: Comments of Head of People and Business Change

There are no direct HR implications associated with the report.

Comments of Cabinet Member

N/A

Local issues

As the report deals with the Capital Programme for the Authority as a whole, there are no local issues.

Scrutiny Committees

N/A

Equalities Impact Assessment

N/A

Children and Families (Wales) Measure

N/A

Consultation

As set out in the early part of the report.

Background Papers

Capital Programme 2014/15 to 2017/18 – February 2014

Capital Programme Monitoring and Additions Report – July 2014

Capital Programme Additions Report – October 2014

Capital Programme Monitoring Report – November 2014

2015/16 Budget & Medium Term Financial Plan – February 2015

Capital Programme Monitoring and Additions Report – February 2015

Capital Programme Outturn 2014/15 – June 2015

Capital Programme Additions Report – July 2015

Capital Programme Monitoring Report – October 2015

Capital Programme Monitoring and Additions Report – January 2016

2016/17 Budget & Medium Term Financial Plan – February 2016

Capital Programme Outturn 2015/16 – June 2016

Capital Programme Monitoring and Additions Report – September 2016

Dated: 31st October 2016

APPENDIX A – Changes to the Approved Capital Programme

Scheme	Total Cost £000	External Grant £000	Unsupported Borrowing £000	Comment/ Revenue Budget Implication
Jubilee Park Primary School FFE	385		385	School running costs built into 2017/18 MTFP, capital expenditure will result in £55k p.a. MRP borrowing costs.
Flying Start	100	100		Increase in approved grant funding.
Gypsy/ Traveller Site Development	986	986		Grant award recently confirmed.
Substance Misuse Action Fund	212	212		NCC acts as agent only.
TOTAL	1,683	1,298	385	

APPENDIX B – Capital Expenditure as at September 2016

SCHEME	BUDGET 2016/17 £000	ACTUAL 2016/17 £000	FORECAST OUTTURN £000	TOTAL VARIANCE £000	SLIPPAGE £000	(UNDER)/ OVER SPEND £000	COMMENT
EDUCATION							
STEP	359	0	343	(16)	(16)	0	Spend currently ongoing, costs due to be transferred shortly.
New ASD Facility	2,901	1,412	3,366	465	0	465	Scheme progressing, due to be complete by January 17. Expected overspend £465k to be split between ASD & Gaer project, awaiting confirmation of additional WG grant funding.
Installation of a Catering Cashless System in all Primary Schools	50	6	50	0	0	0	Scheme progressing as planned, full spend anticipated.
Replacement Hartridge High School	28	26	27	(1)	0	(1)	Scheme complete, retention paid this year, no further costs.
St Andrews Primary 3FE Works	839	193	839	0	0	0	Scheme underway, phase 1 & 2 complete by Oct16. Possibility phase 3 may incur some slippage into 2017/18.
21st Century Schools - Nursery Education Provision	65	(32)	65	(0)	0	0	All Nursery projects complete. Remaining budget due to be used to supplement Demountables projects.
21st Century Schools - School Reorganisation - Lodge Hill New Build	4,018	70	500	(3,518)	(3,518)	0	Appointment of contractor by end of Oct 16, minimal construction work on site anticipated before year end.
Welsh Medium Secondary School	10,298	2,793	10,298	0	0	0	Following Sep Cabinet decision overall budget to increase to £32.5m, to be reflected in 2017/18 for profiling. WG business case to be submitted imminently for match funding. Works ongoing.
21st Century Schools - Capacity Building - Replacement of Demountable	2,380	468	1,138	(1,242)	(1,242)	0	Langstone and Llisbury almost complete, others undergoing feasibility studies and likely to be delayed into 2017/18.
Primary Place Challenge	1,119	246	291	(828)	(828)	0	Two of the larger schemes within this allocation have been delayed, Marshfield recently completed.
S106 – Improvement works to Bassaleg School	17	(2)	0	(17)	0	(17)	Project complete, awaiting final costs from contractor.
Duffryn - Additional Funding	2,000	1	2,000	0	0	0	Works ongoing as part of main project above.
Jubilee Park Primary FF&E	10	0	10	0	0	0	New scheme to fit out new school built by developer for Sept 2017.
Schools Challenge Cymru	70	0	70	0	0	0	Works progressing, expenditure due in quarter 3.
Subtotal Education	24,144	5,180	18,987	(5,157)	(5,604)	447	
REGENERATION, INVESTMENT & HOUSING							
Education through Restoration - 14 Locks	21	0	0	(21)	0	(21)	Scheme complete, budget this year for any residual costs however none anticipated.

Gypsy/ Traveller Site Development	2,263	40	1,463	(800)	(800)	0	Archaeological dig ongoing, working towards WG Grant bid, full spend of NCC monies anticipated.
Peterstone Sewage Scheme	68	0	0	(68)	(68)	0	Issues still with Legal, likely that budget will need to be deferred into 17/18.
City Centre Redevelopment CPO Schemes	84	18	18	(66)	(66)	0	Advised by Norse of two CPOs completing this year, two more anticipated but held up in legal proceedings.
Renovation Grants (DFGs)	1,436	513	1,436	0	0	0	Rolling programme, full expenditure anticipated, approving in response to demand.
ENABLE Adaptations Grant	187	0	187	0	0	0	Full spend anticipated.
Vibrant & Viable places Grant	5,787	108	5,787	0	0	0	Year 3 in progress with majority of spend on 123-129 Commercial Street, other sub schemes to be completed.
Asset Management	1,955	413	1,514	(442)	(442)	0	Programme of works received for year, slippage anticipated.
Flying Start	49	(50)	49	0	0	0	Small works remaining from prior year schemes.
Flying Start Grant 16/17	799	46	799	0	0	0	WG grant letter rec'd for extra £100k and matching funding for £48k. Scheme is progressing, majority of spend to be seen in Q3 and 4.
Rivermead MUGA Fence	80	0	80	0	0	0	The MUGA is due to be delivered September /October to the budget figure i.e. full spend of available capital.
Central Library Structural Safety Works	328	(1)	0	(328)	(328)	0	Delayed pending confirmation of work required.
Subtotal Regeneration, Investment & Housing	13,057	1,088	11,332	(1,725)	(1,704)	(21)	
CUSTOMER SERVICES & DIGITAL INNOVATION							
IT System & Equipment replacement	709	8	508	(201)	(201)	0	Equipment purchases ongoing, not anticipating full spend as restricted due to potential move to SRS extra £50k reduced
Superconnected Cities Broadband Voucher Scheme	293	3	10	(283)	0	(283)	Due to complete soon not anticipating much more spend as uptake was slow.
Corporate EDMS Roll Out	12	0	12	0	0	0	Scheme remains ongoing, full spend anticipated.
Subtotal Customer Services & Digital Innovation	1,014	12	530	(484)	(201)	(283)	
PEOPLE & BUSINESS CHANGE							
Implementation of HR Self Serve	85	0	0	(85)	(85)	0	Currently under review to establish next steps.
Preparatory Works Allocation	100	0	0	(100)	0	(100)	No schemes identified as yet.
Amount Reserved for Change & Efficiency Programme	3,000	0	0	(3,000)	0	(3,000)	No schemes identified as yet.
Subtotal People & Business Change	3,185	0	0	(3,185)	(85)	(3,100)	
LAW AND REGULATION							
CCTV - 24/7 Team - Development of CCTV Monitoring Service	179	0	179	0	0	0	Scheme progressing, cameras purchased, full spend anticipated but waiting for costings from Norse.
Subtotal Law & Regulation	179	0	179	0	0	0	

ADULT & COMMUNITY SERVICES							
Telecare Service Equipment	28	16	28	0	0	0	Equipment to be ordered, full spend anticipated.
Appliance/Equipment for Disabled	165	0	165	0	0	0	Annual allocation spent/ complete in October.
Substance Misuse Action Fund Capital Grant	252	40	252	0	0	0	Recent grant award due to be spend imminently.
Subtotal Adult & Community Services	445	56	445	0	0	0	
CHILDREN & YOUNG PEOPLE SERVICES							
YOS Move to Old Brynglas Hostel	55	0	55	0	0	0	Works on schedule should be finished 21/11/16.
Subtotal Children & Young People Services	55	0	55	0	0	0	
STREETSCENE & CITY SERVICES							
Fleet Replacement Programme	1,880	364	1,400	0	0	(481)	Scheme ongoing, some orders placed, underspend anticipated.
Waste Disposal Site Finishing & Development Works	737	373	650	(87)	(87)	0	Works ongoing, including proposed improvements to access road for asbestos cell.
Bus Station - City Centre Redevelopment	366	52	366	0	0	0	Scheme complete, awaiting final costs.
Development of Travel Plan (Simon Nichols)	26	22	26	(0)	(0)	0	Position extended until end of October, full spend anticipated.
Flood Risk Regulation Grant	73	48	73	0	0	0	Full spend anticipated, satisfying the requirements of the Flood and Water Management Act 2010.
Pill - PAR	260	1	260	0	0	0	Full spend anticipated.
Homefarm Drive - PAR	100	1	100	0	0	0	Full spend anticipated.
Pye Corner Railway Station Development Works	26	0	0	(26)	(26)	0	Remaining money being used to treat Japanese Knotweed over next year, followed by landscaping.
Highways Local Government Borrowing Initiative - Final	69	53	69	0	0	0	Projects identified to achieve full spend.
Active Travel Northern Corridor	168	(3)	0	(168)	(168)	0	Scheme ongoing, full spend anticipated.
Active Travel South Central Corridor	0	74	0	0	0	0	Scheme commenced, need to resolve funding gap.
Road Safety Grant - VASSs A48, Chepstow Rd, Catsash Rd	9	0	0	(9)	(9)	0	All schemes complete budget remains for some final costs

Highways Capitalised Maintenance (Annual Sums)	674	59	674	0	0	0	Schemes Identified and budgets set for road safety, streetwide imp and Column replacement
Lliswerry Recreation Ground Changing Rooms	223	0	0	(223)	(223)	0	Scheme delayed will go out to tender in 16/17
Graig Ward Play Facilities	101	11	101	0	0	0	Scheme progressing as planned.
Maplewood Play Area	416	187	240	(176)	(176)	0	Scheme on going.
George Street/ Lower Dock Street Junction Improvements	97	1	97	0	0	0	Final remaining works currently progressing.
Road Safety Grant - Duckpool Rd / Church Rd / Christchurch Rd Roundabout.	12	0	12	0	0	0	Scheme in progress, full spend anticipated
Active Travel Mapping - Integrated Network Maps	11	0	11	0	0	0	Scheme being determined, full spend anticipated.
Waste Collection Collaborative Change Programme	734	500	734	0	0	0	Scheme progressing as planned, full spend anticipated.
Langstone Community Hall	60	60	60	0	0	0	Full spend completed.
Sub total StreetScene & City Services	6,042	1,803	4,873	(1,169)	(689)	(481)	
TOTAL COST OF PROGRAMME	48,131	8,139	36,411	(11,720)	(8,282)	(3,438)	

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Report

Cabinet

Part 1

Date: November 2016

Item No:

Subject Work Programme

Purpose To agree a work programme for 2016

Author Head of Democratic Services

Ward All Wards

Summary The Corporate Assessment suggested to the Council that it should consider strengthening committee work programming arrangements to ensure they are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.

In response to that suggestion the Cabinet agreed that each month the Head of Democratic Services will ask Chief Officers to update the Cabinet work programme and this update will be reported to Cabinet

An updated work programme suggested by Chief Officers is attached. This is, of course, a working document and will be subject to change.

It is important that the work programme for Cabinet and, in the case of Scrutiny Committees, the work programme for those committees are owned and prioritised by members. Regular reports on the programme will provide more opportunities for that to be done.

Proposal To agree the proposed programme

Action by Head of Democratic Services

Timetable Immediate

This report was prepared after consultation with:

- Chief Officers
- Monitoring Officer
- Head of Finance
- Head of People and Business Change

Background

As mentioned in the summary above, the Corporate Assessment suggested to the Council that it should consider strengthening committee work programming arrangements to ensure they are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.

In response to that suggestion cabinet agreed that each month the Head of Democratic Services will ask Chief Officers to update the Cabinet work programme and this update will be reported to Cabinet

This will then be used to help inform the Scrutiny Committee work programmes

A work programme suggested by Chief Officers is attached. This is, of course, a working document and will be subject to change. It is important that the work programme for Cabinet and, in the case of Scrutiny Committees, the work programme for those committees are owned and prioritised by members.

Regular reports on the programme will provide more opportunities for that to be done.

Financial Summary

There is no direct cost to adopting a programme of work

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
No action taken	M	L	This work programming arrangements to ensure they are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.	Head of Democratic Services
The process is not embraced by report authors and members	M	M	If there is proliferation of unplanned or late items, the opportunity to ensure work programming is timely, meaningful, informative, and transparent, balanced, monitored, and joined up will diminish	Head of Democratic Services

Links to Council Policies and Priorities

These proposals will help the Council provide the best possible affordable service to members and will provide information to the public and elected members

Options Available

- To adopt the process and adopt or amend the work programme
- To consider any alternative proposals raised by Cabinet members
- To take no action

Preferred Option and Why

To adopt the proposals which should help to ensure work programming arrangements are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.

Comments of Chief Financial Officer

There are no financial implications in adopting a programme of work

Comments of Monitoring Officer

There are no legal implications in adopting a programme of work

Staffing Implications: Comments of Head of People and Business Change

There are no specific staffing implications in adopting a programme of work

Comments of Cabinet Member

The Chair has approved the report for consideration by cabinet.

Local issues

There are no local issues as this report relates to the Council's processes

Scrutiny Committees

Regular updates will allow the Scrutiny and Cabinet work programmes to be better coordinated. The Scrutiny Improvement Group is developing new ways of working and reviewing the work programmes to focus more on risk and restricting the number of items on agendas by channelling information reports by way of other and ensuring committee reports are based around outcomes

Equalities Impact Assessment

These proposals need no Equalities Impact Assessment

Consultation

All Chief Officers are consulted on the programme

Background Papers

Corporate Assessment

Dated: 31 October 2016

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**CABINET WORK PROGRAMME
2016-2017**

Cabinet Meeting	Items for provisional agenda	Lead Officer	For Scrutiny / Date	Council
Nov 2016	<p>Education and Pupil Performance data</p> <p>Wellbeing of Future Generations (Wales) Act 2015 – Assessment of Local Well-being</p> <p>Revenue Budget Monitor Capital Budget Monitor</p> <p>Work Programme Update (regular item)</p>	<p>Chief Education Officer</p> <p>Head of People & Business Change</p> <p>Head of Finance Head of Finance</p> <p>Head of Democratic Services</p>		Gambling Act – Statement of Principles Update
Dec 2016	<p>Update- MTFP Improvement Plan Update Risk Register Update Certificate of Compliance – letter 2 Reduction in Council Tax Scheme</p> <p>Work Programme Update (regular item)</p>	<p>Head of Finance Head of People & Business Change Head of People & Business Change Head of People & Business Change Head of Finance / Head of Street Scene and City Services Head of Democratic Services</p>	Social Services and Wellbeing Act – Needs Assessment	
Jan 2017	<p>Improvement Plan 2017- 2018 Social Services and Wellbeing Act – Needs Assessment Education : 21st Century Schools band B Revenue Budget Monitor Capital Budget Monitor Work Programme Update (regular item)</p>	<p>Head of People & Business Change Director of Social Services</p> <p>Chief Education Officer</p> <p>Head of Finance Head of Finance Head of Democratic Services</p>		<ul style="list-style-type: none"> • Council Tax Reduction Scheme • Nomination of the Mayor • Schedule of meetings • Education : 21st Century Schools band B • Social Services and Wellbeing Act – Needs Assessment

Feb 2017	City Deal Budget and MTFP Education : 21 st Century Schools band B Capital Budget Treasury Management Work Programme Update (regular item)	Chief Executive Head of Finance Chief Education Officer Head of Finance Head of Finance Head of People & Business Change Head of Democratic Services		<ul style="list-style-type: none"> • Budget and MTFP • Capital Budget • Treasury Management
March 2017	Improvement Plan update Budget Monitoring Treasury Management Pay and Reward Policy Work Programme Update (regular item)	Head of People & Business Change Head of Finance Head of Finance Head of People & Business Change Head of Democratic Services		
April 2017	Improvement Plan 16-18 Risk Register Update Work Programme Update (regular item)	Head of People & Business Change Head of People & Business Change Head of Democratic Services		<ul style="list-style-type: none"> • Pay and Reward Policy

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