

Agenda



Performance Scrutiny Committee - Place and Corporate

Date: Monday, 2 October 2017

Time: 4.00 pm

Venue: Committee Room 1 - Civic Centre

To: Councillors C Evans (Chair), M Al-Nuaimi, G Berry, M Cornelious, K Critchley, Y Forsey, L Lacey, J Richards and W Routley

Item

- 1 Agenda in Welsh (Pages 3 - 4)
- 2 Apologies
- 3 Declaration of Interest
- 4 Minutes of the Meeting held on 11 September 2017 (Pages 5 - 6)
- 5 Improvement Plan 2016-18 Update - Quarter 1 (Pages 7 - 22)
- 6 Budget Revenue Monitoring (April to July 2017) (Pages 23 - 78)
- 7 Performance Analysis - Year End Summary (Pages 79 - 86)
- 8 Forward Work Programme Update (Pages 87 - 92)

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Date of Issue: 26 September 2017

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Agenda



Pwyllgor Craffu ar Berfformiad – Lleoedd a Materion Cofforaethol

Dyddiad: Dydd Llun, 2 Hydref 2017

Amser: 4 y.p.

Lleoliad: Ystafell Bwyllgora 1

Y Cynghorwyr: C Evans (Cadeirydd), M Al-Nuaimi, G Berry, M Cornelious, K Critchley, Y Forsey, L Lacey, J Richards and W Routley

Eitem

1. Agenda yn Gymraeg
2. Ymddiheuriadau am Absenoldeb
3. Datganiadau o Fuddiant
4. Cofnodion y Cyfarfod a 11 Medi 2017
5. Diweddariad Cynllun Gwella 2016 – 18 – Chwarter 1
6. Monitro Refeniw Cyllideb (Ebril i Orffennaf 2017)
7. Dadansoddiad Perfformiad – Crynodeb Diwedd Blwyddyn
8. Diweddariad am y Flaenrahglen Waith

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Minutes



Performance Scrutiny Committee - Place and Corporate

Date:	11 September 2017
Time:	4.00 pm
Present:	Councillors C Evans (Chair), G Berry and L Lacey
In Attendance:	L Blayney (Senior Overview and Scrutiny Officer), N Barnett (Democratic Services Support Officer)
Apologies:	Councillors M Al-Nuaimi, M Cornelious, K Critchley, Y Forsey, J Richards and W Routley

1 **Declarations of Interest**

None

2 **Draft Annual Forward Work Programme**

The Senior Overview and Scrutiny Officer presented the Draft Annual Forward Work Programme to the Committee for consideration. Members were advised that the work programme reflects the new Terms of Reference for this Committee and the new Scrutiny Committee structure that was agreed by the Council at its Annual General Meeting in May 2017. The Officer outlined the shift of focus within this restructure to emphasise the Performance role of Scrutiny, thereby addressing the criticisms raised in the Corporate Assessment by Wales Audit Office and other regulatory bodies that Scrutiny did not routinely and effectively hold the Executive to Account for its performance. It was also advised that the work programme has also been also aligned to compliment the Cabinet work programme.

As part of this change to the Committees, Members were advised that the Scrutiny would now be receiving the performance reports prior to the Cabinet, to allow for Scrutiny comments to be submitted to the Cabinet prior to a decision being taken. The Cabinet Members would be invited to each meeting, along with the Heads of Service to discuss the reports with the Committee.

The following questions and comments were made:

- Query was made if scrutiny of Norse was within the remit of this Committee. The Officer advised that Norse is in the remit of Performance Scrutiny Committee – Partnerships.
- Members asked if Committee meetings would always take place on a Monday. It was confirmed that to keep consistency it remain the same day and time. The dates were scheduled to allow for timely information to be presented to the Committee and to ensure that there was sufficient time to report this into Cabinet.

- Pre-meetings were briefly discussed and Members were advised that it had been agreed by the Scrutiny Chairs, to allow the Committee time to consider its role in relation to the Committee agenda and consider lines of enquiry that it wishes to pursue.
- Members queried if the Annual Work Programme could be amended should priority issues arise. The Committee were advised that the Annual work programme was a framework the approach the Committee was to take and could be amended with the consent of the Committee. The Committee would receive a forward work programme report at each meeting to confirm the following two meetings, and to adjust the work programme where necessary.

Resolutions and outcomes:

- i. The Committee **approved** the Forward Work Programme.
- ii. The Committee **approved** the schedule of meetings.

The meeting terminated at 16:26

Scrutiny Report

Performance Scrutiny Committee – Place and Corporate

Part 1

Date: 2 October 2017

Subject Improvement Plan 2016-18 Update – Quarter 1

Author Overview and Scrutiny Officer

The following people have been invited to attend for this item:

IP Objective	Cabinet Member Lead	Head of Service Lead
IP – Objective 5 <i>Supporting young people into education, employment or training</i>	Gail Giles Cabinet Member for Education and Skills	Keir Duffin Head of Regeneration, Housing and Investment
IP – Objective 7 <i>Increasing recycling</i>	Roger Jeavons Cabinet Member for Streetscene	Paul Jones Head of Streetscene and City Services
IP – Objective 3 <i>Ensuring people have access to suitable accommodation</i>	Jane Mudd Cabinet Member for Regeneration and Housing	Keir Duffin Head of Regeneration, Housing and Investment
IP – Objective 4 <i>City Regeneration and Development</i>	Jane Mudd Cabinet Member for Regeneration and Housing	Keir Duffin Head of Regeneration, Housing and Investment

Section A – Committee Guidance and Recommendations

<p>1 Recommendations</p> <p>1.1 The Committee is asked to consider the progress being made in relation to the following improvement objectives:</p> <ul style="list-style-type: none"> • <i>IP – Objective 3 - Ensuring people have access to suitable accommodation;</i> • <i>IP – Objective 4 - City Regeneration and Development;</i> • <i>IP – Objective 5 - Supporting young people into education, employment or training;</i> • <i>IP – Objective 7 - Increasing recycling.</i> <p>1.2 Determine if it wishes to make any comments to the Cabinet on the progress towards achieving the improvement objectives in Quarter 1.</p>
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2 Context

2.1 The Council approved 8 Improvement Objectives in the 2017-18 Improvement Plan in April 2016, 4 of which are within the remit of this Scrutiny Committee, namely:

IP Objective	Cabinet Member Lead	Head of Service Lead
IP – Objective 5 Supporting young people into education, employment or training	Gail Giles Cabinet Member for Education and Skills	Keir Duffin Head of Regeneration, Housing and Investment
IP – Objective 7 Increasing recycling	Roger Jeavons Cabinet Member for Streetscene	Paul Jones - Head of Streetscene and City Services
IP – Objective 3 Ensuring people have access to suitable accommodation	Jane Mudd Cabinet Member for Regeneration and Housing	Keir Duffin Head of Regeneration, Housing and Investment
IP – Objective 4 City Regeneration and Development	Jane Mudd Cabinet Member for Regeneration and Housing	Keir Duffin Head of Regeneration, Housing and Investment

2.2 At its meeting on 11 September, the Committee agreed to include monitoring of the improvement objectives on its work programme.

2.3 This update covers the period April 2017 to June 2017, with further updates scheduled for the Committee covering the further three quarters.

<i>Report produced in...</i>	<i>September</i>		<i>Dec</i>	<i>March</i>	<i>June</i>
<i>To show status for....</i>	<i>Q1 Apr-Jun</i>		<i>Q2 Jul-Sept</i>	<i>Q3 Oct-Dec</i>	<i>Q4 Jan -Mar</i>
3. Ensuring people have access to suitable accommodation	Amber- Acceptable				
4. City Regeneration and Development	Green - Good				
5. Supporting young people into education, employment or training	Green – Good				
7. Increasing recycling	Green - Good				

2.4 This update is being presented to the Cabinet at its meeting on 18 October 2017, along with any comments / recommendations from this Committee as to the progress towards achieving these objectives.

3 Information Submitted to the Committee

3.1 **Appendix 1** provides the Committee with an update from the Objective Leads for its consideration.

3.2 The update includes:

- An overall judgement for the objective (red, amber or green) along with brief comments from the leads on this judgement;
- an update on the current progress with the measures associated with the objective, and;
- an update on the actions associated with the objective.

4 Suggested Areas of Focus

4.1 The Committee agreed in its Annual Work Programme at the meeting on 11 September 2017: *“To consider the progress of the Council towards actions associated with the improvement plan objectives and provide comment to Cabinet”* in respect of the four relevant objectives within its remit.

The Committee is therefore asked to evaluate the performance of the Council in achieving these four objectives and might wish to consider:

- Whether Improvement Objectives are being achieved and how this is clearly evidenced?
- How are measures and activities measured and evaluated?
- Do “green” objectives have sufficiently challenging targets and are the measures balanced between being realistic and robust?
- What is being done to address amber measures?
- Are there any barriers to delivering the Improvement Objectives?

Section B – Supporting Information

5 Links to Council Policies and Priorities

- 5.1 This report directly links with all of the Councils Improvement Objectives identified in the Improvement Plan 2016-18. These objectives also link to the Well-being Objectives agreed by Cabinet in March 2017, which aim to maximise the Council's contribution to the Well-being Goals for Wales and will form part of the new Corporate Plan and Improvement Plan from 2017 onwards.

The Wellbeing of Future Generations Act 2015 which came into force in April 2016 sets the context for the move towards long term planning of services. The Improvement Plan objectives have links to each of the well-being objectives and the well-being goals.

Well-being Objective	Link to Improvement Plan Objective
To improve skills, educational outcomes and employment opportunities	4 – City Regeneration and Development 5 – Supporting young people into education, employment or training
To promote economic growth and regeneration whilst protecting the environment	4 – City Regeneration and Development 7 – Increasing recycling
To build cohesive and sustainable communities	3 – Ensuring people have access to suitable accommodation 4 – City Regeneration and Development

7 Risks

- 7.1 Each individual action in this report is subject to financial and risk assessment in its own right in accordance with council procedures.

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
That the council's plans and projects do not have the desired impact on the city	H	M	The council will assess the impact of its actions on an on-going basis and enable adjustments to actions and policies to be brought forward as the need arises	Project managers for individual action plans
That major impacts are not properly monitored due to faulty assessment of risk and/or impact	H	L	Quarterly reporting to cabinet, together with opportunity for scrutiny reviews will enable adjustments to monitoring regime to be implemented as the need arises	Project managers
That on-going monitoring impedes progress on project delivery	H	L	The assessment criteria for monitoring progress are designed to ensure monitoring is proportionate to impact and purpose. This will be reassessed as part of the on-going reporting process	Cabinet / Corporate Directors

8 Financial Implications

- 8.1 There are no specific cost implications associated with the report.

9 Background Papers

- 9.1 Annual Review of the 2016-18 Improvement Plan Cabinet Report - 24 Aug 2017
2016-18 Improvement Plan

Report Completed: 19 September 2017

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IP5 Supporting young people into education, employment or training

Overall Judgement

Lead Cabinet Member

▪ Cabinet Member for Education and Skills

Lead Officer

▪ Head of Regeneration, Investment and Housing

Jun 2017		
Actual	Performance	Comments
Green - Good	★	After a slow end to quarter 4 last year, we have been able to complete a number of planned actions such as procurement of services and the start of the new programmes such as Traineeship and ESF. Programmes are now on track and we are expecting good performance in the remaining quarters.

Measures	Jun 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	
EDU/L/067 (RIH/L/048) % young people recorded as unknown following compulsory education (A) (IP5)	~	~	~	~	~	~	~	~
NEETV01 Number of young people accessing children and YP skills project (IP5) (Q)	252	250	★	84	✘		!	Due to the introduction of the NEW ESF projects "Inspire" our performance spike this year is expected to be between September and March, performance is expecting to catch up and exceed target.
NEETV09 % 16 - 18 yr olds not in education, employ or training (IP5) (A)	~	~	~	~	~	~	~	~
NEETV11 % Young people NEET Year 13 (IP5) (A)	~	~	~	~	~	~	~	~
PAM/009 Young people % NEET Year 11 (PAM, IP5) (A)	~	~	~	~	~	~	~	~
RIH/L/045 Number of 16-17 year old entrants into Work Based Learning Academy (Q) (IP5)	18	17	★	41	?		!	Due to the complexities of agreeing our new SLA with training providers and the time it has taken for WEFO to approve our Inspire 2 Work programme we have had a slow start to the year, however now programmes have been approved we will catch up performance over the quarters.
RIH/L/046 Number of 18-24 year old entrants into Work Based Learning Academy (Q) (IP5)	114	90	★	102	?		!	
RIH/L/049 Number of 16-17 year olds progressing from WBLA to further opportunity (Q) (IP5)	9	8	★	21	?		!	Due to the complexities of agreeing our new SLA with training providers and the time it has taken for WEFO to approve our Inspire 2 Work programme we have had a slow start to the year, however now programmes have been approved we will catch up performance over the quarters.
RIH/L/050 Number of 18-24 year olds progressing from WBLA to further opportunity (Q) (IP5)	81	35	★	27	?		!	

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Status	Explanation
Green Star	Excellent All actions and measures are on track
Green	Good Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

Key for Measure RAG Status	
	Pink question mark – data missing
	Yellow exclamation mark - no target set
	Black arrow – performance remains the same
	Green tick – performance has improved
	Red cross – performance has declined
	New measure – no comparable data

IP5 Supporting young people into education, employment or training

Lead Cabinet Member

▪ Cabinet Member for Education and Skills

Lead Officer

▪ Head of Regeneration, Investment and Housing

Actions	Jun 2017		
	Performance	IP Progress Update	IP Activity Planned
<p>✓ IP 5.01 YEPF Co-ordinator providing support</p>	★	<p>The YEPF Coordinator continued to chair allocation meetings with Secondary schools and the Pupil Referral Unit using the EI toolkit for Key Stage 3 and 4 pupils.</p> <p>Potential NEET meetings begun with each Secondary school regarding both Key Stage 4 and Key Stage 5 pupils.</p> <p>Additional work was carried out with the Youth Offending Education Coordinator and the Looked after Children Education coordinator to ensure the engagement of young people.</p> <p>The 16-18 practitioner group met every 6 weeks whereby all young people are allocated a Lead Worker chaired by the YEPF Coordinator.</p> <p>The NEET review was completed.</p> <p>Additional resource was provided through the Learning Provider Network to locate those young people who are 'unknown'.</p>	<p>Potential NEET meetings to be completed by July with all Secondary schools regarding Key Stage 4 and Key Stage 5 pupils. Additional groups to be worked with through the EI with the Pupil Referral Unit and the Youth Offending Service. Key Stage 4 and Key Stage 5 leaver's allocation meetings start with the Youth Service for young people flagged as red referred from Careers. These will continue until October. The 16 to 18 Practitioner group will continue to be held every 6 weeks whereby all young people are allocated a Lead Worker chaired by the YEPF Coordinator. The Learning Provider Network will continue to provide resource to locate young people known as unknown through the 5 tier model. Through the YEPF Coordinator a Learning Coach Forum will be established</p>
<p>✓ IP 5.02 Deliver the Families First Children and Young People's Skills Project</p>	★	<p>In partnership with the inspire ESF projects the team has procured jointly counselling support from Coleg Gwent. This will be available throughout qtr 2. The team worked with over 150 young people in the quarter to engage them into further learning etc. The numbers will now increase due to the start of the academic year in qtr 2.</p>	<p>Identify further referrals through FF and schools activity. Aiming to roll out the counselling service throughout the projects in Newport.</p>
<p>✓ IP 5.03 Deliver the Inspire to Achieve and Inspire to Work ESF projects</p>	★	<p>The mental health and counselling service has been procured and awarded to Coleg Gwent, delivery of this service will be available in qtr 2.</p>	<p>Inspire 2 achieve will work with education teams to identify young people at risk within the schools, the teams will design curriculums of work for young people top reengage.</p> <p>Inspire 2 work team will work with the education teams to identify those school leavers who have not returned to their destinations or have not engaged in employment. The team will engage with identified people.</p>
<p>✓ IP 5.04 Communities First NEET engagement project</p>	★	<p>The new programme has been agreed by the funder and local stakeholders. The recruitment for the first programme has began and we have recruited 12 young people to the programme.</p>	<p>To recruit further young people to the programme, deliver activities and progressions to further learning etc by the end of qtr 2. This will align with the requirement to support education services and careers wales with identifying NEET young people.</p>

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Green Star	★	Excellent All actions and measures are on track
Green	★	Good Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	●	Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	▲	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

Key for Measure RAG Status	
?	Pink question mark – data missing
!	Yellow exclamation mark - no target set
→	Black arrow – performance remains the same
✓	Green tick – performance has improved
✗	Red cross – performance has declined
»	New measure – no comparable data

IP5 Supporting young people into education, employment or training

Lead Cabinet Member

▪ Cabinet Member for Education and Skills

Lead Officer

▪ Head of Regeneration, Investment and Housing

Actions

✓ IP 5.05 Deliver Communities 4 Work programme	★	Confirmed new profiles with WG, Worked with current case loads to support residents to improve skills and prepare for employment.	Identified a number of issues relating to customers benefits and the universal credit programme, providing a number of solutions for customers in partnership with Work and Skills and JCP.
✓ IP 5.06 Direct work with Careers Wales	★	Direct work is carried out with Careers Wales to ensure data and tracking systems are in place and working effectively to track all young people on transition. This has meant offering 16 - 17 year old people learning opportunities to enable them to re - engage into education and training opportunities. YEPF Officer in place for data analysis. Data analysis is carried out and reported on for all young people in the 5 tier model.	This work will continue and funding is in place for the YEPF Officer.
✓ IP 5.07 Working with providers of education	★	This is maintained through the Pre 16 NEET group, the 16-18 practitioner group and the Learning Provider Network. Work is also monitored through the Deputy Curriculum group.	This will be continued through the Pre 16 NEET group, the 16-18 practitioner group and the Learning Provider Network. Continued work with Coleg Gwent and Schools to ensure appropriate progression routes and referrals onto other providers when necessary. Learning Providers set up Summer programmes aimed at school leavers to ensure their successful transition.
✓ IP 5.08 Develop and deliver specific employability programmes	★	Worked with the Celtic Manor to deliver a Jobs Fair, the event had over 250 applicants to the fair applying for a number of Celtic Manor positions, over 60 people successfully achieved employment	Planned the Newport Friars Walk jobs fair for qtr 2, which is hoping to attract over 4000 visitors applying for over 400 jobs. Continue to work with the M4 relief rd and local developers such as SISK to identify further opportunities.
✓ IP 5.09 Map provision for young people	★	The YEPF Coordinator has continued to work with Barnardo's around the Youth Support Sufficiency Audit. Additional focus groups with professionals and young people were arranged.	The work will continue and be completed by July. This will then result in a Youth 2017 event being held in September for a number of stakeholders to look and review the recommendations.

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Green Star	★	Excellent All actions and measures are on track
Green	★	Good Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	●	Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	▲	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

Key for Measure RAG Status	
?	Pink question mark – data missing
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→	Black arrow – performance remains the same
✓	Green tick – performance has improved
✗	Red cross – performance has declined
»	New measure – no comparable data

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IP3 Ensuring people have access to suitable accommodation

Lead Cabinet Member

▪ Cabinet Member for Regeneration and Housing

Lead Officer

▪ Head of Regeneration, Investment and Housing

Overall Judgement

Jun 2017		
Actual	Performance	Comments
Amber - Acceptable	●	<p>The red measure at 39% against a target of 50% and a one year ago actual of 51% is the direct impact that the service is in receipt of more complex cases presenting as homeless across the City.</p> <p>Interestingly, the number of people approaching the authority for housing advice and assistance is significantly reducing, which suggests further that the presentations are becoming more complex and have higher needs and requirements from the service area.</p> <p>A review of the target will be undertaken at the mid-year point and will take into account the significant impact of Universal Credit which is due to be rolled out in NCC in November 2017.</p>

Measures	to Jun 2017							
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	Period Performance
PAM/012 (RIH/L/044) The percentage of households for whom homelessness was prevented (Q) (PAM, IP3)	39%	50%	▲	51%	?		!	The dip in performance during quarter 1 mainly reflects the increasing complexity of homelessness presentations, requiring a wide range of interventions, and the difficulties involved in securing accommodation in the private rented sector.
PAM/014 Number of new homes created as a result of bringing empty properties back into use (HY) (PAM)	~	~	~	~	~	n/e	n/e	~
PAM/015a (PSR/002) Adapt'ns DFG days delivery avg. (HY) (PAM, IP3, SP)	~	~	~	~	~	~	~	~
PAM/015b (PSR/006) Ave days non-DFG minor adapt'ns (HY) (IP3)	~	~	~	~	~	~	~	~
PLA/006 Provision of affordable housing units % (A) (NSI, PAM, SP)	~	~	~	~	~	~	~	~
RIH/L/043 No. people approaching authority for housing advice and assistance (Q) (IP3b)	491	600	★	616	?		!	







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Status	Explanation		
Green Star	★*	Excellent	All actions and measures are on track
Green	★	Good	Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	●	Acceptable	Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	▲	Improvement Required	Actions and measures are of concern and are mostly falling short of planned targets





Key for Measure RAG Status	
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→	Black arrow – performance remains the same
✔	Green tick – performance has improved
✘	Red cross – performance has declined
»	New measure – no comparable data







IP3 Ensuring people have access to suitable accommodation

Lead Cabinet Member	▪ Cabinet Member for Regeneration and Housing
Lead Officer	▪ Head of Regeneration, Investment and Housing

Actions	Jun 2017		
	Performance	IP Progress Update	IP Activity Planned
 IP 3.1 To secure additional units of affordable housing and bring empty private homes back into use		The housing service continues to co-ordinate efforts to bring empty homes back into use, either through voluntary collaboration or through the use of enforcement powers, where appropriate. However, resources for either statutory or voluntary intervention are very limited.	75 affordable homes are due to be completed during this financial year.
 IP 3.2 To minimise the waiting times for major and minor adaptations		This Q1 update confirms that the significant improvement that has been achieved over recent years in waiting times for adaptations has been sustained	The Private Sector Housing team is currently reviewing tendering arrangements and will be introducing an 'e-tendering' process to realise potential for further delivery time improvements.
 IP 3.3 To prevent people becoming homeless whenever we can		Homelessness presentations remain high, though lower than previous years. Critical, however, is the complexity of cases, which require a wide range of interventions, and impact upon the sustainment of accommodation or move onto alternative accommodation. This requires a joined up approach; whilst services are being developed and established, these are increasingly stretched. The complexity of cases, the continued roll out of welfare reform and the issues officers face in securing private rented accommodation, have resulted in a decline in performance around homelessness prevention alongside an increase in demand for housing.	Funding has been made available during the current financial year which will be utilised to provide further services aimed at the prevention of homelessness. Further additional resources are being made available by Welsh Government specifically around the alleviation of rough sleeping, addressing the needs of young people and developing links with the private rented sector. Work is due to commence on the review of homelessness, initially driven by a Gwent wide group with a local focus then upon each area. This will lead to the development of a Gwent wide homelessness strategy and then a separate action plan/strategy for tackling homelessness in Newport.

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Amber		Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red		Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

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IP4 City Regeneration and Development

Lead Cabinet Member

▪ Cabinet Member for Regeneration and Housing

Lead Officer





▪ Head of Regeneration, Investment and Housing







Overall Judgement

Jun 2017		
Actual	Performance	Comments
Green - Good	★	Regeneration of the city centre continues despite the absence of a successor Welsh Government programme. NCC has used this hiatus to progress a strategic review of the next phases of development in the city centre which will be formalised as the new City centre Masterplan in early 2018. With the new Cabinet now in place to govern this key project, progress can now continue. Similarly, efforts to better promote Newport to investors via a more effective web presence and deployment of legacy funding derived from capital receipts generated by Newport Unlimited as part of a new joint-venture programme with the Welsh Government. The main risks remain around the format and objectives associated with the successor programme to VVP, the 'Targeted Regeneration Investment Framework'. Consideration will now be given as to how this new programme will work and which projects in the city - as identified in the emerging master plan - are best placed to meet the aims and objectives. Finally, the project to refurbish the Market Arcade continues apace, whilst there is inherent risk derived from the constraints and disrepair specific to that site the project team are on programme to submit the stage II HLF bid in January 2018.

Measures	Jun 2017					
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Period Performance
RIH/L/052 Number of jobs created (A) (IP4)	~	~	~	~	~	~
RIH/L/053 Value of business support grants awarded (Q) (IP4)	£8,956	£10,375	●	~	»	~
RIH/L/054 Number of businesses supported (Q) (IP4)	144	119	★	~	»	~
RIH/L/055 Number of new business start-ups (HY) (IP4)	~	~	~	~	~	~
RIH/L/056 Housing delivery (all tenures) (A) (IP4)	~	~	~	~	~	~
RIH/L/057 Reduction in number of vacant commercial properties in the City Centre (A) (IP4)	~	~	~	~	~	~

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Red 	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

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IP4 City Regeneration and Development

Lead Cabinet Member

▪ Cabinet Member for Regeneration and Housing

Lead Officer

▪ Head of Regeneration, Investment and Housing

Actions	Jun 2017		
	Performance	IP Progress Update	IP Activity Planned
✓ IP 4.1 Secure funding for VVP2	●	Consultation document on 'Targeted Regeneration Investment Framework' received by NCC August 2017.	NCC to respond to consultation either as LA or as part of joint response via WLGA.
✓ IP 4.2 Creation and adoption of the City Centre Master Plan	★	Project re-started August 2017 following briefing to new Cabinet Members.	Consultation on draft plan September - October 2017, wider consultation launch at City Summit and adoption by Feb 2018.
✓ IP 4.3 Agree a protocol with Welsh Government for Joint Venture funding	★	Protocol agreed with Welsh Government.	First project allocations in development.
✓ IP 4.4 Secure stage 2 funding to deliver market arcade regeneration	●	Consultants appointed to develop designs and cost plans. Structural investigations underway.	Completion of draft design by September 2017.
✓ IP 4.5 Develop and invest in Newport website	★	Proposals submitted to SRS for development.	Website to be implemented Spring 2018.
✓ IP 4.6 Complete a skills audit of the local economy	●	The procurement process has taken place, an organisation called Wavehill will be completing the skills audit. It has taken longer than initially expected.	Wavehill will be completing the skills audit in the next couple of months.

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Green Star	★	Excellent All actions and measures are on track
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Key for Measure RAG Status	
?	Pink question mark – data missing
!	Yellow exclamation mark - no target set
→	Black arrow – performance remains the same
✓	Green tick – performance has improved
✗	Red cross – performance has declined
>>	New measure – no comparable data

IP7 Increasing recycling

Lead Cabinet Member	▪ Cabinet Member for Streetscene
Lead Officer	▪ Head of Streetscene and City Services

Overall Judgement

Jun 2017		
Actual	Performance	Comments
Green - Good	★	The overall judgement for this objective is Green-Good; diversion of waste from Landfill is not high if compared to target but considering that a recycling activity that will significantly reduce waste to landfill is planned for later in the year the results are really good. As for the recycling rate, again even if a waste sorting activity will not start until September this year and results for Q1 are lower than expected due to some material being stocked at our site and only been released after Q1, we are meeting the 58% target and all the planned activities are progressing according to plan.

Measures	Jun 2017							
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	Period Performance
PAM/030 (WMT/010 WMT/009b) Municipal waste reused, recycled and composted (PAM, IP7) (Q)	58.19%	58.00%	★	59.97%	✓	60.19%	●	
PAM/031 (WMT/004b) Percentage of municipal wastes sent to landfill (PAM, IP7) (Q)	10.80%	10.00%	●	11.68%	✓	18.14%	★	
IP7R/L/018 % of municipal waste recycled at the HWRC (IP7) (Q)	56.96%	65.00%	●	61.68%	✗		!	

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Status	Explanation
Green Star	Excellent All actions and measures are on track
Green	Good Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

Key for Measure RAG Status	
?	Pink question mark – data missing
!	Yellow exclamation mark - no target set
→	Black arrow – performance remains the same
✓	Green tick – performance has improved
✗	Red cross – performance has declined
>>	New measure – no comparable data

IP7 Increasing recycling

Lead Cabinet Member

▪ Cabinet Member for Streetscene

Lead Officer

▪ Head of Streetscene and City Services

Actions	Jun 2017	
	Performance	IP Progress Update
<p>✓ IP 7.1 To improve the recycling services</p>	★	<p>1. Improved recycling collections Once the cardboard roll out has been completed, we have entered the monitoring phase so planned activities centre on keeping the monthly contract management meetings and monitoring of tonnage and operational indicators to see if the increase in recycling turns into a reality. So far during Q1 we have seen an increase in recycling tonnage of 5.45% compared to the same quarter last year, in line with the provisional result obtained for 16/17. Number of missed collections and residents' complaints are also being monitored on a monthly basis and compared with the targets included in the contract; so far all are below the tolerance limit and incidents/complaints are being solved and closed down within the established periods. 2. Flats During Q1 we started collating data by putting a plan together to weigh individual bins-the newly acquired flats collections vehicle has a weight system that will allow for this so we can get much more accurate data. This exercise will carry out until we get data for all the flats areas across the City. 3. HWRC A new cardboard compactor has finally been installed at our HWRC works to get the webcam installed have also been progressed.</p>
<p>✓ IP 7.2 To divert all household and trade refuse waste collected by the council</p>	★	<p>During Q1 diversion of residual municipal waste to the incineration plant continued as planned, at a rate of about 2,300 tonnes/month. We have also planned a sorting activity for part of the municipal residual waste, so during Q1 we have been working on the tendering process that needs to be in place so we can deliver the activity</p>

IP Activity Planned

1. Improved recycling collections We will continue to monitor the kerbside recycling collections. Also, due to the high number of new properties during Q2 we will start a re-routing exercise that will aim to make a more efficient use of our resources to enable the current vehicles and members of staff to cope with this increase in demand. 2. Flats From Q2 onwards focus will be on the City centre area, and plans include a review of the current collection system for flats in that area and option analysis to provide recycling collections for the city centre. We will also continue gathering data about tonnage of waste being collected from areas of flats 3. Waste Strategy The Council is also currently working on preparing and implementing a new Waste Strategy that will pave the way to meet the different recycling targets from now to 2025. To this end once all the different Scrutiny committees have been constituted after the local elections, during Q2 a proposal to create a Policy review Group that can examine the proposal and prepare a report with recommendations and conclusions to Scrutiny will be put forward. Work by the Policy Review Group is planned to start by the end of Q2.

Diversion to EfW will continue as planned. Also, the tender for sorting part of the municipal residual waste will be published and we will follow all the steps until the contract can be awarded; the activity is expected to start by the beginning of September 2017

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Status	Explanation
Green Star	Excellent All actions and measures are on track
Green	Good Actions and measures are on mostly on track, one or two falling marginally short of planned targets
Amber	Acceptable Some actions and measures have deviated from plan and are some are falling short of planned targets
Red	Improvement Required Actions and measures are of concern and are mostly falling short of planned targets

Key for Measure RAG Status	
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»	New measure – no comparable data



Scrutiny Report

Performance Scrutiny Committee – Place and Corporate

Part 1

Date: 2 October 2017

Subject Budget Revenue Monitoring (April to July 2017)

Author Overview and Scrutiny Officer

The following people have been invited to attend for this item:

Service Area	Head of Service	Cabinet Member
Regeneration, Housing and Investment	Keir Duffin Head of Regeneration, Housing and Investment	Councillor Jane Mudd Cabinet Member for Regeneration, Investment and Housing
Streetscene	Paul Jones Head of Streetscene and City Services	Councillor Roger Jeavons – Cabinet Member for Streetscene
Law and Regulation	Gareth Price – Head of Law and Regulation	CM – TBC
People and Business Change	Rhys Cornwall – Head of People and Business Change	CM – TBC
Finance	Meirion Rushworth - Head of Finance	CM - TBC

Section A – Committee Guidance and Recommendations

<p>1 Recommendations to the Committee</p> <p>1.1 The Committee is asked to consider the current budget position for the service areas within its portfolio:</p> <ul style="list-style-type: none"> • Regeneration, Housing and Investment • Streetscene and City Services • Law and Regulation • People and Business Change • Finance <p>1.2 Determine if it wishes to make any comment/ recommendations to the Cabinet on the Budget position.</p>

2 Context

2.1 The attached budget update was presented to the Cabinet at its meeting on 13 September 2017. The Committee has been provided with a copy of the Cabinet report, along with attachments relevant to the Committee portfolio. For the full papers (including information relevant to Education and Social Services), refer to the [full Cabinet agenda](#).

2.2 Below is an extract from the Cabinet minutes from this meeting for the Committees information:

'the Leader presented the Revenue Budget Monitor report to the Cabinet, detailing the current forecast position on the Council's revenue budget as of the end of July. When the last monitor was considered in July, Cabinet noted the ongoing pressures and overspends within the budget, which were able to be managed through underspending in other areas.

This latest report now showed a forecasted overspend of £1.4m at the end of July. The Council was able to offset this through using the unused revenue budget contingency, bringing the budget to an almost balanced position.

The reasons for budget pressures were understood, and spending was being monitored and managed closely to bring the forecasts back to a more comfortable position. However, a significant part of the pressures were due to areas outside of our control. Increasing out of area placements, for both Education and Children's Services, were an unpredictable and significant element. The Council was doing what it could to manage these pressures within the Council, but this was also a national issue. The Leader reported that she would be raising this through the WLGA, to suggest that a national approach was taken, to highlight with the judiciary the financial impact of the decisions made in court on the provision of care packages.

The Leader highlighted that the budget was everybody's responsibility across the Council, and the administration would do everything it could to balance the budget by year end.

The Head of Finance highlighted the importance of managing the budget, and the knock on impact of overspending for next year's budget if it was not brought under control. The Chief Executive also noted that the overspend represented less than 1% of overall spending, and was in line with similar patterns of spending in previous years. He assured Cabinet that appropriate actions would be taken to deliver a balanced position by the year end.

Decisions:

- *To note the overall budget forecast position and the key assumptions and issues which underpin and impact on the Council's financial forecast position.*
- *To approve the use of all the Council's contingency budget to balance the current level of overspending, which will be assessed each month on an on-going basis.*
- *To agree to instruct all areas of the Council to maintain robust financial management and bring forward planned underspending wherever possible to mitigate against the current position.*
- *To note the level of undelivered savings within each directorate and the risks associated with this.*
- *To note the forecast movements in reserves.*
- *To note and ratify the Corporate Management Team's decision to implement a targeted spending freeze for all non-essential spend.'*

- To agree the use of and note the balance in respect of the investment reserve which has been assumed within current forecast.'

3 Information Submitted to the Committee

3.1 The Committee has been provided with a copy of the relevant papers from the Cabinet report:

Attachment A – Cabinet Covering Report (with the following attachments)	Attachment 1 – Revenue Summary Monitor
	Attachment 2 – Budget Monitoring Dashboards <ul style="list-style-type: none"> ▪ Regeneration Housing and Investment ▪ Streetscene ▪ Law and Regulation ▪ People and Business Change ▪ Finance
	Attachment 3 – Delivery of Medium Term Revenue Plan (MTRP) savings
	Attachment 4 – Planned Movement in Reserves

4 Suggested Areas of Focus

4.1 The Committee agreed to include Budget Monitoring within its work programme. As part of this role the Committee agreed to focus on:

- Scrutinising variances in budget;
- Assessing the extent to which performance is being achieved within budget;
- Reviewing the outcomes and the delivery of agreed savings plans;

4.2 The Committee may also wish to consider the extent to which:

- the service areas are performing within their agreed budget;
- appropriate mitigations are being put in place for any overspends and how these are being effectively managed;
- agreed savings for this year are being achieved;
- Whether any further actions are required to mitigate any risks with overspends.

Section B – Supporting Information

5 Additional Data and Analysis

5.1 The Centre for Public Scrutiny (CfPS) produced a guide in 2012 providing advice for Scrutiny Members on the use of financial and performance information in scrutiny ([Centre for Public Scrutiny \(CfPS\) Guide – Putting Budget and Performance Management information to good use](#))

5.2 Below is an extract from this guide, which provides the following as a basis to consider any financial information coming before Scrutiny:

'Examples of useful criteria for financial scrutiny are:

- *was there a significant over or underspend?*
- *Were there issues with demand or supply and what does it tell us about the future?*
- *Has spending on this specific project or policy achieved value for money and what social value has it added?*
- *Does the overall budget line up with the council's identified priorities?*
- *Finally, are changes to the budget linked to performance management reports?'*

6. Background Documents

[Cabinet minutes – 13 September 2017](#)

Cabinet Agenda – 13 September 2017

[Centre for Public Scrutiny \(CfPS\) Guide – Putting Budget and Performance Management information to good use](#)

Report Completed: 21 September

Report

Cabinet



Part 1

Date: 13th September 2017

Item No: TBA

Subject **July Revenue Budget Monitor**

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

Author Head of Finance

Ward All

Summary As at July 2017, the Council's revenue budget is forecasting an **overspend of £1,492k**, excluding the impact of the revenue contingency budget. Applying the unused revenue budget contingency (£1,373k) to offset the general overspend achieves a pretty much balanced budget position.

Whilst balanced overall, there are significant overspends within service areas of £3,647k, excluding schools, mainly in the (i) Children's / Adults social care and Education's special education placements areas linked to increasing need and (ii) undelivered/delayed savings. These overspends have been partially offset by one off non-service area savings of £2,155k in respect of council tax rebates, council tax surplus and capital financing. This follows a similar pattern to 2016/17.

Use of all the Council's contingency budget at this stage is required to balance the budget and, at this early stage of the year, is a significant concern as on the basis of the current level of overspending gives no room for manoeuvre and provides no additional contingency for any unforeseen issues which may occur throughout the year.

In addition, budgets set by schools for 2017/18 will see them overspending their available funding by c£3m which will reduce the vast majority of school's individual reserves to almost zero, assuming they achieve spend to their budget level.

The report highlights some of the opportunities where forecasts may reduce over the coming 2-3 months and also on-going risk areas and issues. The position is very finely balanced and very challenging at this point and will need careful and diligent monitoring and management.

Following the same pattern as 2016/17, the service area overspending is now very significant and if not controlled, could have a financial resilience impact on the Council's overall finances.

Proposal Cabinet is asked to:

- Note the overall budget forecast position and the key assumptions and issues which underpin and impact on the Council's financial forecast position;

- Approve the use of all of the Council's contingency budget to balance the current level of overspending, which will be assessed each month on an on-going basis;
- Agree to instruct all areas of the Council to maintain robust financial management and bring forward planned underspending wherever possible to mitigate against the current position;
- Note the level of undelivered savings within each directorate and the risks associated with this;
- Note the forecast movements in reserves;
- Note and ratify the Corporate Management Team's decision to implement a targeted spending freeze for all non-essential spend;
- Agree the use of and note the balance in respect of the investment reserve which has been assumed within current forecast.

Action by Cabinet Members / HoF / DMT / CMT confirm plans to:

- Promote and ensure robust forecasting throughout all service areas;
- Reduce over-spending within People and Place Directorates;
- Manage/ mitigate those projects that are unable to deliver required MTFP savings.

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. The current 2017/18 forecast represents variances in the following key areas:

	£'000
Overspending in service areas (exc. Schools)	3,647
Overspends in Schools	<u>3,000</u>
Service area overspends	6,647
Schools reserves transfer to cover school overspends	(3,000)
<i>Non Service underspends:</i>	
Savings on C Tax benefit rebates – lower claimant No's	(1,207)
Council Tax surplus saving – housing growth	(793)
Capital financing saving	(128)
Other (non-service) variances	<u>(27)</u>
Net Overspend	1,492

2. As at July 2017 the Councils revenue budget is projecting an overspend of £1,492k (June – £1,393k overspend). Although there are significant overspends within service areas, it is fortuitous that there are one off non-service area savings to offset just over half of this. All service areas (with the exception of Corporate) are currently forecasting an overspend against budget.
3. The Council's contingency budget is integral in ensuring a balanced budget at year end where overspending occurs, and alongside the non-service underspending mentioned above, use of all of the available contingency budget broadly balances the budget in 2016/17. Cabinet is asked to allocate all of the contingency to the current level of overspending and this will be monitored and updated on an on-going basis. However, it should be noted that the service area overspending in both 2016/17 and 2017/18 (forecast) far outweighs the level of contingency budget that the Council has available and the current levels of underspending in non-service areas cannot be guaranteed on-going.
4. The forecast shows the Council £1,492k over budget. Key assumptions within this are:
 - Cabinet has agreed to the use of the investment reserve (spending priorities) created at the end of 2016/17 which has been assumed in current forecasts;
 - Other approved costs to deliver planned 17/18 savings are funded from the Invest to Save Reserve.
5. As always, forecasts are subject to change and especially at this early part of the year. Key areas of both upsides and risks include:

Upsides

- Additional Council Tax income and therefore surplus could be achieved over and above current forecast. This will be updated again in October when 6 months data is available.
- The RIH forecast overspend on the property area is subject to review and this could reduce following that.

Risks

- Whilst the StreetScene forecast overspend has reduced significantly following a robust review, further work and refinement will likely change this forecast again.

- The key areas of children’s and adults social care are susceptible to changes as client numbers change from current forecast assumptions, as are education special education placements. Whilst always susceptible to change, these areas are showing particular challenges and stress this current year.

6. The following section highlights the key areas that contribute to the overall Council position:

- (i) staffing projections;
- (ii) recurring pressures identified in the 2016/17 outturn position which have not been dealt with as part of the 2017/18 budget setting process;
- (iii) delivery of 2017/18 savings to date;

In addition, given the high level of overspending in children’s out of area placements and special education placements, the Heads of Service for Children’s social care and education have prepared specific notes on the issues currently faced in their areas and actions in place to manage the situation in going forward. They are shown In Appendix 5.

(i) Staffing

7. Employee budgets make up 38% of the Councils gross budget. The table below illustrates that a £798k forecast saving is anticipated against the £57m overall Council staff costs budget.

OVERALL STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	56,969	56,969	57,033	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995
Forecast (£'000)	56,969	56,636	56,822	56,197	56,197	56,197	56,197	56,197	56,197	56,197	56,197	56,197
Variance (£'000)	0	(334)	(210)	(798)	(798)	(798)	(798)	(798)	(798)	(798)	(798)	(798)

A large proportion of this saving is in respect of late consequential funding from Welsh Government that has offset existing staff costs within the Social Services area.

(ii) Recurring Pressures and Proposed Action

8. As noted within the previous year (2016/17) revenue outturn report, there are a number of key areas of overspending which have continued into 2017/18 given the on-going and, in some areas, increasing demand and associated costs for services. These areas account for £3,967k (gross) of the total forecast service area overspending. The table below shows the key areas and, as set out by HoS, what action is currently planned to take place to manage these risks as best as possible.

	2016/17 Outturn	2017/18 Investment (Additional budget)	2017/18 Forecast Over/ (Under) Spend	Worsening/ (Improvement) since 2016/17 (after investment)	Notes	Proposed Action
	£'000	£'000	£'000	£'000		
Children & Family Services						
Out of area residential placements	892	(400)	1,945	1,453	Budget can afford 16 placements based on average package costs whereas the service has made 22 placements currently, one of which is at a cost of £6k per week. This has the potential to increase should the number of placements not reduce towards the end of the year.	1. Currently regional and national groups in place to address the placements position across Wales. There is recognition regionally and nationally that in terms of cost, availability and quality the current position is unsustainable. 2. The overspend continues to be under constant scrutiny and all staff are fully cognisant with the risks. The service area continue to interrogate this area and apply the level of rigour required at every stage leading to such placements.
Adult & Community Services						
Community Care	1,100	(1,044)	775	719	£775k is the gross overspend in this area based on current client numbers. This has been reduced by a one off benefit of £455k WG workforce grant bringing the net overspend down to £320k. Overall client numbers have increased by 19 since last month, however, this in part has been offset by additional supporting people savings. Client numbers have increased by 41 between March 2017 and June 2017.	1. The Equality, Commissioning and Outcomes (ECO) process has been strengthened and covers all service areas including the hospital. 2. A number of actions have been agreed to address the Continuing Health Care (CHC) funding reduction and some fast track cases have been successfully challenged and learning disability cases are being formally placed in dispute with by NCC. this has included the implementation of stricter CHC guidance and support available for staff.
Education						
Special Educational Needs (SEN)	917	0	1,247	330	Although the number of Out of County (OOC) placements have reduced from 173 in 2016/17 to 144 to date (2017/18) the type of pupils requiring OOC placements are for 'high end' needs which are very costly.	1. OOC placements are linked to specialist provision, expertise and therapies. Due to the need to achieve a balanced budget; a review of OOC placements has taken place to find out if more cost effective provision can be found. A list of pupils who present the lowest risks in returning to Newport has been determined. The SEN Manager and Head of Inclusion will meet with all associated parents to discuss this alternative provision. Parental agreement is essential or the LA will be at risk of SEN Tribunal. To date £300k worth of potential savings have been earmarked however at this point at £163K is largely possible. If parents agree and alternative placements are not successful, pupils will need to return to their current higher cost provision. 2. The Head of Inclusion will make the final decision on all OOC placements. 3. A spending freeze throughout the service area will support the prevention of further overspend.
SERVICE AREA SUBTOTAL	2,909	(1,444)	3,967	2,502		

Schools						
Schools - overspending position (transfer from reserves)	1,050	0	3,000	1,950	Budgets set by schools in 2017/18 will see them overspending their available funding by £3m which will reduce the vast majority of school balances to almost zero.	1. The schools resources team continues to support and challenge these schools and support ongoing work on deficit plans where appropriate. 2. A budget seminar for schools has been organised for the 14th September to discuss and agree a way forward to the current position.
SCHOOLS SUBTOTAL	1,050	0	3,000	1,950		
Non Service						
Savings on C Tax benefit rebates - lower number of claimants	(1,063)	400	(1,207)	(544)	Number of claimants will continue to be monitored. Non service savings currently offsetting significant service area overspending.	1. These budget areas continue to be closely monitored in light of new dwellings, claimants and collection rates.
C Tax surplus - housing growth	(1,539)	0	(793)	746	Non service savings currently offsetting significant service area overspending.	
Council wide staff savings	(1,135)	excess of £1m	(798)	(663)	In the main 2016/17 savings resulted from early achievement of 2017/18 saving proposals and one off funding available to fund core staffing.	
NON-SERVICE SUBTOTAL	(3,737)	1,400	(2,798)	(461)		
TOTAL (exc schools impact)	(828)	(44)	1,169	2,041		

(iii) Delivery of Medium Term Revenue Plan (MTRP) Savings:

9. The following table shows the forecast delivery of savings across directorates. In the main this shows good performance on achievement of these savings (to date, forecasted that 94% of the £5,575k savings target for 2017/18 will be achieved). There remain a couple of projects that are not expected to achieve the full extent of the proposed saving and currently no plan exists to mitigate.
10. The main areas of undelivered projects currently sit within the Place and People portfolio, specifically:
- Adults – the shortfall of £117k in respect of Supporting People Programme's Grant (SPPG);
 - RIH – Property services profit anticipated from the Norse joint venture agreement - £106k;
 - Streetscene - Bus routes; removal of subsidy to support specific evening and Sunday bus services - £69k;

2017/18 Change Programme Financial Improvement Programme (FIP) by Directorate

By Portfolio	People	Place	Corporate	Non Service	Total 17/18
2017/18 MTRP Target (£) Total	£2,829,000	£839,000	£734,000	£1,173,000	£5,575,000
Total Savings Realised by Year End 2017/18	£2,690,929	£658,833	£731,000	£1,173,000	£5,253,762
Variation to MTRP Target	-£138,071	-£180,167	£0	£0	-£321,238
Variation % to MTRP Target	-5%	-21%	0%	0%	-6%

11. In addition, there remain undelivered savings in respect of 2016/17 projects.

2016/17 Unachieved Savings - Streetscene

2016/17 MTRP Target (£) Total	£855,680
Total Savings Realised by Year End 2016/17	£324,634
Variation to MTRP Target	-£531,046
Variation % to MTRP Target	-62%

12. The £531k shortfall against a target of £856k relates to the following projects:
- Streetscene service review - £227k. Decision by Place board that this is unachievable and closure of project to be requested at CMT. The plan is to start up new project once mitigation is identified and target is to remain;
 - Landfill site income - £218k. Options are being investigated to generate income at the land fill site through its asbestos operations. The waste strategy board has decided to commission an asbestos contractor to enhance the commercial performance of the section;
 - Street cleansing service review - £59k. Options to mitigate in year currently being discussed with a proposal to reinstate this budget for 2018/19;
 - Waste (Special Collections) - £27k. Options to mitigate are currently being discussed;
13. In addition there is a £53k undelivered saving within RIH which relates to the Newport Norse joint venture profit share.

Emerging Risks/ Opportunities

14. The current risk areas and areas of emerging risks are all in the areas of current budget forecasted to overspend.

Children & Young People

- Out of County Placements – The current forecast does include provision for a further 2 additional placements. Future forecasts will update on the status of these.

Adult & Community Services

- Community Care - Large risk in this area is the ability to permanently reduce packages of care. Many of the MTFP savings in this year and previous years are focussed on package reductions. By nature these are medium term savings rather than permanent. Clients inevitably grow older and more frail and therefore reduced packages will eventually increase as they need more support.

Education

- SEN – A significant number of new out of county (OOC) placements have been approved over the summer term and although the number of placements have reduced from 2016/17 (173 places) to 2017/18 (144 places), the placements are for 'high end' needs which are, relatively, extremely costly compared to existing placements.

Streetscene & City Services

- There are some operational risks in this area which are yet to be resolved and which may require unbudgeted expenditure to resolve.

Schools

15. The current forecast for schools shows significant overspending based on schools individual budgets agreed by their Governing bodies for 2017/18. A summary of schools funding and forecast reserve movements has been included below:

Sector	Balance	Budgeted	Balance	Funding	Schools in	
	31/3/17	in-year	31/3/18	17/18	deficit as at	
	£	movement	£	£	2017	2018
		2017/18				
Nursery	17	-27	-10	450	1	1
Primary *	3,135	-1,698	1,437	46,818	1	1
Secondary	1,683	-2,202	-519	38,113		4
Special	-21	-155	-177	4,149	1	1
Schools contingency	0	0	0	768		
Total	4,813	-4,082	731	90,297	3	7

- It should be noted that the budgeted in-year movement does not recognise any additional income (grant & other compensation) that schools may receive during the financial year. There is currently no basis for anticipating this for 2017/18 though Newport Schools have received c£1m in each of the last 2 years

Use of reserves

16. Appendix 4 illustrates the planned movements in reserves throughout the year. Cabinet should note the opening balance as at 31st March 2017, forecasted planned transfers in/ (out) of reserves in 2017/18 and the forecast balance as at 31st March 2018. Current projections suggest that 22% of the Councils reserve will be used by the end of the financial year – this is a substantial in year reduction which will see reserve balances reduce by £23.6m. The following points are important to note:

- apart from the general reserves, all reserves are earmarked for specific purposes;
- the general reserve is at the minimum level required (£6.5m) representing 2% of the overall net budget;
- most earmarked reserves are allocated to specific projects, with spending plans in place and already in progress, with the exception of:
 - (i) invest to save
 - (ii) capital expenditure
 - (iii) capital receipts – can only be used for capital purposes
 - (iv) welsh language
 - (v) city economic development

Allocation of Funds

(ii) Progress on Implementation of 'Priorities' Spending List

17. Cabinet has previously approved the creation of a £1.5m investment reserve from the 2016/17 planned underspend. Cabinet are asked to review the levels of expenditure that have currently been drawn down from the reserve and the balance that currently remains:

	£'000
Investment reserve	£1,500
Streetscene	(£300)
RIH	(£183)
Corporate	(£99)
Balance remaining	£918

Timetable

Ongoing

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?
Risk of overspending	H	M	Regular forecasting and strong financial management	

			Revenue budget contingency	
Poor forecasting	M	M	Better forecasting in non-service areas where large variances occurred in 16/17	AHoF
			Review and refinement in service areas of risk based predictive models	SFBP's and budget managers
			CX/HoF setting out clear expectations	CX / HoF

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Strong financial management underpins services and medium term financial planning.

Options Available and considered

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.

Preferred Option and Why

Given that there may be potential for the position to worsen, SLT are asked to note the current position and the risks of this changing and decide what corrective action is to be taken to reduce the forecast overspend to budgeted levels.

Comments of Chief Financial Officer

The current forecast points towards significant financial pressures in 2017/18 which will need robust management and specific actions to mitigate, as far as is possible. If it were not for non-service area underspending, the position would be serious as current service area overspending significantly outweighs the revenue budget contingency available.

Given the significant issues in place, these should be considered in the Council's work on the 2018/19 budget and this would mean and require significantly more budget savings being identified. To that end, it is important that permanent mitigation is found to avoid this, given the challenges in balancing that year's budget already, at this point.

The Council's Cabinet and Senior Management / Heads of Service need to take specific action to mitigate this position and reflect those actions in forecasts in going forward.

The current and on-going service area overspending have continued from similar patterns in 2016/17 and actually worsened. This represents a potential financial resilience risk to the Council if the position is not permanently rectified.

Comments of Monitoring Officer

There are no direct legal issues coming from of this report

Comments of Head of People and Business Change

The report on the revenue monitor does not show any specific staffing issues, although clearly issues will arise if robust monitoring and management of budgets does not take place.

Comments of Cabinet Member

The current financial position is concerning and we need all Cabinet Members with Heads of Service to bring forward actions to address.

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

N/A

Children and Families (Wales) Measure

N/A

Wellbeing of Future Generations (Wales) Act 2015

This update is against a backdrop of prolonged pressure on public services as a combination of reduced income, rising demands on services, increased expectations, compliance with new legislation and the increasing costs of running services which has seen the delivery of significant budget savings over the last five years. Any future reductions in funding will need to reflect and be consistent with the five principles underpinning the Wellbeing of Future Generation (Wales) Act 2015.

Consultation

N/A

Background Papers

Dated:

- Appendix 1 Revenue Summary Monitor – July 2017
- Appendix 2 Budget Monitoring Dashboards
- Appendix 3 Delivery of Medium Term Revenue Plan (MTRP) Savings
- Appendix 4 Planned Movements in Reserves
- Appendix 5 Head of Service Commentary from Childrens and Education Services

APPENDIX 1 – Revenue Summary Monitor (July 2017)

Summary Revenue Budget	Apr-17	Current	Projection	(Under)/Over
2017/2018	Approved Budget	Budget		
	£'000	£'000	£'000	£'000
PEOPLE				
Children & Young People	21,027	21,068	22,418	1,350
Adult & Community Services	41,408	41,070	41,258	188
Education	14,859	14,878	16,076	1,198
Schools	90,297	90,297	93,297	3,000
	167,591	167,313	173,049	5,736
PLACE				
Regeneration, Investment & Housing	9,526	9,194	9,692	498
Streetscene & City Services	17,465	17,847	18,287	440
	26,991	27,041	27,979	938
CHIEF EXECUTIVE				
Directorate	557	557	588	31
Finance	2,719	2,719	2,678	(41)
People & Business Change	6,232	6,321	6,304	(17)
Law & Regeneration	6,493	6,524	6,524	-
	16,001	16,121	16,094	(27)
CAPITAL FINANCING COSTS & INTEREST				
Capital Financing Costs MRP	11,032	9,677	9,549	(128)
Interest Payable	9,085	9,085	9,085	-
Interest Receivable	(37)	(37)	(37)	-
Investment Props	-	-	-	-
PFI	8,315	8,315	8,315	-
	28,395	27,040	26,912	(128)
SUB TOTAL - SERVICE/CAPITAL FINANC	238,978	237,515	244,034	6,519
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	4,489	4,812	4,840	28
	6,537	6,860	6,888	28
LEVIES / OTHER				
Discontinued Operations - pensions	1,576	1,576	1,512	(64)
Levies - Drainage Board, Fire service etc	8,207	8,207	8,216	9
Non distributed grants	-	-	-	-
CTAX Benefit Rebates	12,073	12,073	10,866	(1,207)
Extraordinary Items	-	-	-	-
Charity Rate Relief	-	-	-	-
	21,858	21,858	20,596	(1,262)
TRANSFERS TO/FROM RESERVES				
Base budget - Planned Transfers to/(from) R	(1,001)	139	139	-
Earmarked reserves: Queensbury Loan			-	-
Earmarked reserves: Transfer to/(from) Capital			-	-
Earmarked reserves: Transfer to/(from) Schools			(3,000)	(3,000)
Earmarked reserves: Transfer to/(from) Schools Redundancy			-	-
Invest to Save Reserve			2,066	2,066
Invest to Save Reserve (from)			(2,066)	(2,066)
	(1,001)	139	(2,861)	(3,000)
TOTAL	266,372	266,372	268,657	2,285
Funded by				
WAG funding (RSG & NNDR)	(208,250)	(208,250)	(208,250)	-
Council Tax	(58,122)	(58,122)	(58,122)	-
Council Tax Surplus			(793)	(793)
TOTAL	-	-	1,492	1,492

APPENDIX 2 – Budget Monitoring Dashboard

Attached:

- Overall Council dashboard

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Budget Monitoring Position – July 2017

Newport City Council

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	266,371	266,371	266,371	266,371	266,371	266,371	266,371	266,371	266,371	266,371	266,371	266,371
Forecast (£'000)	266,371	269,504	270,764	270,863	270,863	270,863	270,863	270,863	270,863	270,863	270,863	270,863
Transfer (to) Schools Balances (£000)	0	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Variance (£'000)	0	133	1,393	1,492	1,492	1,492	1,492	1,492	1,492	1,492	1,492	1,492

Analysis of Variances by Directorate:

PEOPLE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	167,591	167,312	167,312	167,312	167,312	167,312	167,312	167,312	167,312	167,312	167,312	167,312
Forecast (£'000)	167,591	171,696	172,688	173,049	173,049	173,049	173,049	173,049	173,049	173,049	173,049	173,049
Transfer (to) Schools Balances (£000)	0	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Variance (£'000)	0	1,384	2,376	2,737	2,737	2,737	2,737	2,737	2,737	2,737	2,737	2,737

PLACE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	26,991	26,886	27,041	27,041	27,041	27,041	27,041	27,041	27,041	27,041	27,041	27,041
Forecast (£'000)	26,991	27,868	28,154	27,979	27,979	27,979	27,979	27,979	27,979	27,979	27,979	27,979
Variance (£'000)	0	982	1,113	938	938	938	938	938	938	938	938	938

CORPORATE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	16,001	16,032	16,121	16,121	16,121	16,121	16,121	16,121	16,121	16,121	16,121	16,121
Forecast (£'000)	16,001	16,020	16,122	16,094	16,094	16,094	16,094	16,094	16,094	16,094	16,094	16,094
Variance (£'000)	0	(12)	1	(27)	(27)	(27)	(27)	(27)	(27)	(27)	(27)	(27)

Budget Monitoring Position – July 2017

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)	28,395	27,195	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040
Forecast (£'000)	28,395	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912
Variance (£'000)	0	(283)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)

NON SERVICE NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	27,394	28,946	28,857	28,857	28,857	28,857	28,857	28,857	28,857	28,857	28,857	28,857
Forecast (£'000)	27,394	27,008	26,888	26,829	26,829	26,829	26,829	26,829	26,829	26,829	26,829	26,829
Variance (£'000)	0	(1,938)	(1,969)	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)	(2,028)



Budget Monitoring Position – July 2017

Newport City Council

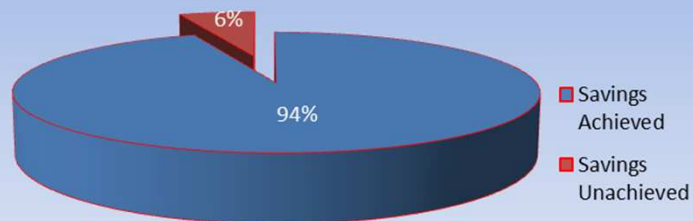
Key Elements of Budget Variances:

OVERALL STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	56,969	56,969	57,033	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995	56,995
Forecast (£'000)	56,969	56,636	56,822	56,197	56,197	56,197	56,197	56,197	56,197	56,197	56,197	56,197
Variance (£'000)	0	(334)	(210)	(798)	(798)	(798)	(798)	(798)	(798)	(798)	(798)	(798)

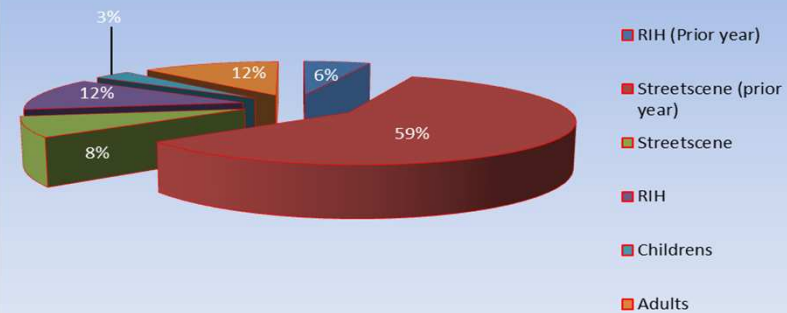
OVERALL DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575
Savings Realised (cumulative) (£'000)	5,395	5,395	5,167	5,254	5,257	5,257	5,257	5,257	5,257	5,257	5,257	5,257
Variance (£'000)	180	180	408	321	318	318	318	318	318	318	318	318
Undelivered Savings from previous years (£'000)		531	489	584	584	584	584	584	584	584	584	584
FIP Reconciliation period		MAY	JUN	JUL								

* Undelivered savings from previous years relate to Place portfolio

Delivery of 2017/18 MTRP Savings



Analysis of Undelivered Savings - 2017/18 and Prior Years



Budget Monitoring Position – July 2017

Newport City Council

Other key budget variances:

Children's out of area residential placements - £1,945k overspend

Education – Special Educational Needs - £1,247k

Adults community care packages - £320k overspend (this includes an in year benefit of £455K of consequential funding from Welsh Government)

Savings on CTax benefit rebates – lower number of claimants - £1,207k underspend

Savings on CTax surplus – housing growth - £793k underspend

Schools

The forecast for schools shows a significant movement from school reserves (£3,000k). A summary of schools funding and reserve movements has been included below:

Sector	Balance	Budgeted	Balance	Funding	Schools in	
	31/3/17	in-year	31/3/18	17/18	deficit as at	
	£	£	£	£	2017	2018
Nursery	17	-27	-10	450	1	1
Primary *	3,135	-1,698	1,437	46,818	1	1
Secondary	1,683	-2,202	-519	38,113		4
Special	-21	-155	-177	4,149	1	1
Schools contingency	0	0	0	768		
Total	4,813	-4,082	731	90,297	3	7

It should be noted that the budgeted in-year movement does not recognise additional income (grant & other compensation) that schools may receive during the financial year. Based on historic trends this could be in the region of £1m, therefore, bringing the in year movement down to £2,000k.

Budget Monitoring Position – July 2017

People & Business Change

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,232	6,232	6,321	6,321	6,321	6,321	6,321	6,321	6,321	6,321	6,321	6,321
Forecast (£'000)	6,232	6,220	6,301	6,304	6,304	6,304	6,304	6,304	6,304	6,304	6,304	6,304
Variance (£'000)	0	-12	-20	-17	-17	-17	-17	-17	-17	-17	-17	-17

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	3,543	3,543	3,543	3,543	3,543	3,543	3,543	3,543	3,543	3,543	3,543	3,543
Forecast (£'000)	3,543	3,487	3,471	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473	3,473
Variance (£'000)	0	-56	-72	-70	-70	-70	-70	-70	-70	-70	-70	-70

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	357	357	357	357	357	357	357	357	357	357	357	357
Savings Realised (£'000)	357	357	357	357	357	357	357	357	357	357	357	357
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period	APR	MAY	JUN	JUL								

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		

Budget Monitoring Position – July 2017

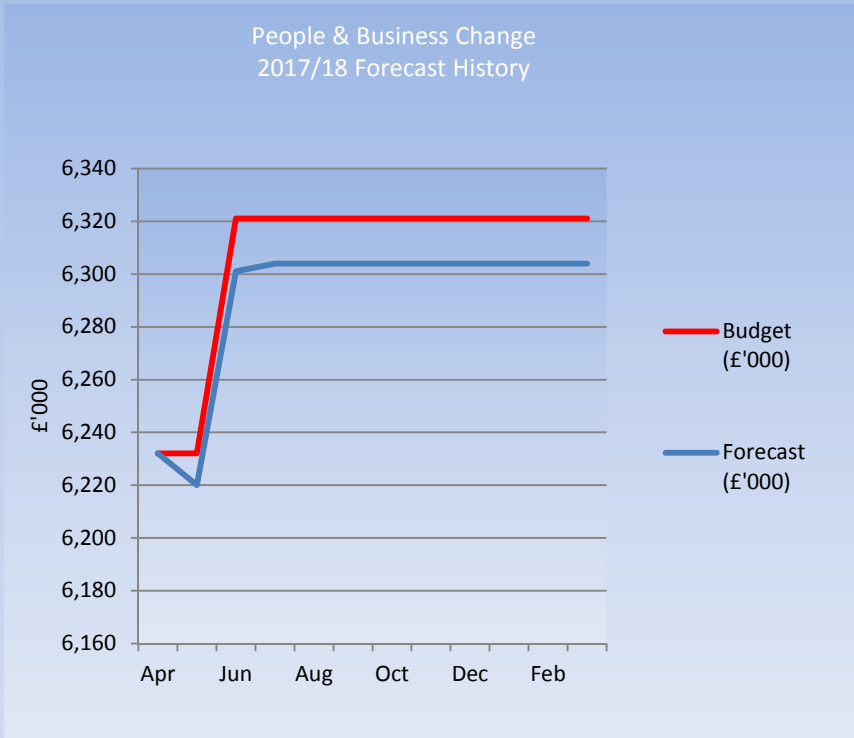
People & Business Change

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trade Union Duties - redundancy cost	0	11	11	11								
Cost of Clear Review	0	22	22	22								
Staff Conference	0	8	8	8								
Other	0	0	9	-3								
HR Payroll - purchase of IT equipment	0	0	0	10								
Information Governance - consultancy	0	0	0	4								
Variance (£'000)	0	41	50	52	0	0	0	0	0	0	0	0

Change since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	<p>Following transfer to SRS the employee pension contributions for IT staff that have transferred have increased from 19.2% to 21.2%. This equates to a pressure of £25k. This pressure has been included within the MTRP from 2018/19 but for 2017/18 this will potentially be a pressure against People & Business Change. However, the £25k is the worst case scenario and assumes a full complement of staff for the full year at top of the scale. Due to the level of vacancies it is assumed at this point that this can be managed within the savings generated therefore this has been included for information only.</p>

Budget Monitoring Position – July 2017

People & Business Change



BMS Submission Data	%
% of cost centres submitted by budget holder deadline	79%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

Key budget variances so far this year are staffing related. Prior to agreeing the service area restructure there are a number of vacancies being held. There are also some residual budgets as a result of interim arrangement.

This underspend on staffing has been offset to a certain degree by the need to allocate £22k to Clear Review and £8k to the Staff Conference.

Non Delivery of MTRP Savings

All MTRP savings have been achieved or, in the case of BIP income generation, are on course to be achieved.

Budget Monitoring Position – July 2017

People & Business Change

Head of Service Commentary

Head of Service comments/ summary:

Current variances in the staff budget are as a result of the service area's interim management arrangements so this will be resolved as part of the restructure of the service to happen in the Autumn. There is an ongoing risk associated with the SRS with the increase in pension contribution. Whilst the £25k shown is a 'worse case scenario' figure an accurate amount will need to be included within the monitor from September. This will leave the service area 'on budget' for the year.

Strategic Director Commentary

Strategic Director comments:

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	-	9,194	9,194	9,194	9,194	9,194	9,194	9,194	9,194	9,194	9,194	9,194
Forecast (£'000)	-	9,614	9,263	9,692	9,692	9,692	9,692	9,692	9,692	9,692	9,692	9,692
Variance (£'000)	-	420	69	498	498	498	498	498	498	498	498	498

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	-	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
Forecast (£'000)	-	4,920	4,867	4,841	4,841	4,841	4,841	4,841	4,841	4,841	4,841	4,841
Variance (£'000)	-	-86	-139	-165	-165	-165	-165	-165	-165	-165	-165	-165

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	409	409	409	409	409	409	409	409	409	409	409	409
Savings Realised (£'000)	298	298	303	297	297	297	297	297	297	297	297	297
Variance (£'000)	111	111	111	111	111	111	111	111	111	111	111	111
MTRP Target underachieved from previous year (£'000)	53	53	53	53	53	53	53	53	53	53	53	53
Savings Realised (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
Variance (£'000)	53	53	53	53	53	53	53	53	53	53	53	53
FIP Reconciliation period	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

Budget Monitoring Position – July 2017





Regeneration, Investment & Housing

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
Development Control Fees	646	646	0	G	Whilst the start of the financial year has been strong there are currently fewer larger receipts expected than this time last year; however it is anticipated it will come in on budget and will be monitored month on month.
Building Control Fees	247	247	0	G	Currently expected to be on budget but is an area of risk which will need careful monitoring.
Commercial & Industrial properties Income	1,122	1,241	119	G	Detailed spreadsheets showing tenants and rental amount have been set up and we are currently forecasting better than expected amounts.. This will be closely monitored with Norse throughout the year.

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Homelessness	-	92	52	52								
Centralised Properties	-	591	353	725								
Vacant properties	-	-55	-40	-54								
Facilities management	-	-41	-47	45								
Total		587	318	768								




Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

Change since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	<p>Homelessness – Current Overspend £52K - recent changes to the Housing Benefit subsidy arrangements are expected to put additional pressure on the homelessness budgets; whilst the shortfall is expected to be in the region of £103k per annum this has been off set in part by additional short term revenue and reduced rental payments across the leased properties portfolio.</p>
	<p>Work & Skills - the current Work Programme contract with Working Links is due to end in December and be replaced by the new Work and Health contract. The DWP are currently in the process of deciding who will deliver this programme across Wales and this has various potential impacts on Newport CC, namely an expansion of the current work and skills budget; a stand still position, or a worst case scenario where the programme is awarded externally. These forecasts will be amended when the Work and Health contract is awarded and the future funding position is confirmed.</p>
	<p>Communities First – The current budget on BMS reflects the reduced funding available in 2017/18. There is a risk of further redundancies at the end of March 2017/18. Community Regeneration are seeking to mitigate this potential cost by identifying new funding opportunities that could accommodate as many of these staff as possible .</p>
	<p>Centralised Properties – Current Overspend £725k – includes £159k underachieved MTRP savings. An additional £340k for 17/18 is required to meet the pension costs following the triennial valuation. Backdated Living Wage supplement of £35k. Certain supplies and services costs have been reduced to offset some of this pressure.</p>

Budget Monitoring Position – July 2017

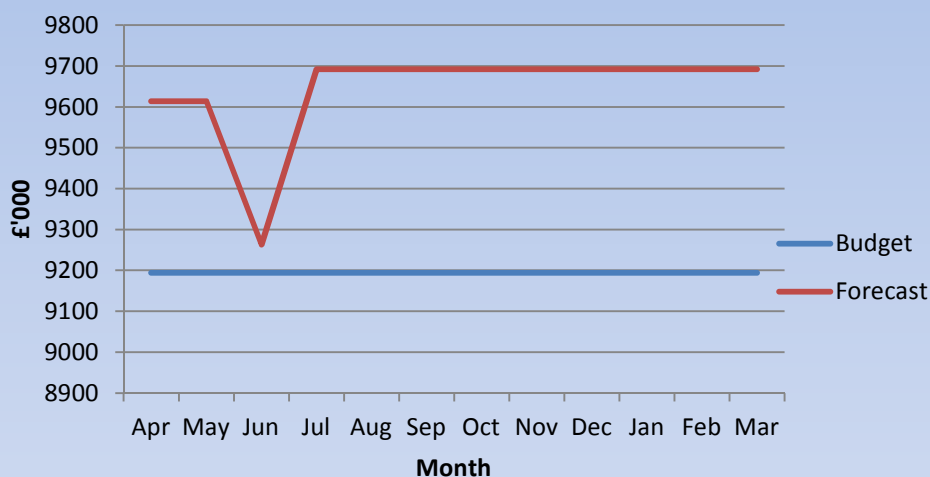
Regeneration, Investment & Housing

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	Vacant Properties – Current Underspend -£54k A dispute with a supplier over the payment of security costs following the demolition of the Mary Dunn Community Centre has resulted in a credit being forecast for the reimbursement of invoice payments £40k
	Facilities Management – Current Overspend £45k . Reduction to the forecast of the utilities across the 3 main sites has resulted in a £70k reduction for 17/18
	Commercial & Industrial Portfolio – Current Underspend £119k . Further work is being undertaken with our property partners Newport Norse to carry detailed analysis of the C&I portfolio. Current indications show an over achievement of £92k for rental income. This figure is inclusive of any repairs costs. This needs to be monitored closely to ensure accuracy.

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

Regeneration, Investment & Housing 2017/18 Forecast History



BMS Submission Data	%
% of cost centres submitted by budget holder deadline	98

Head of Service Commentary

Management actions to address position:

Key Budget Variances

IPU - £580k overspend. This is based on a number of factors including:-

£360k – Norse Pension Strain

£160k – Profit share

£15k – Underachieved Market Income

£25k – Additional works within Market – “dragons den” units plus increased costs from last year’s works programme within Market.

£55k – Civic Centre red-dec, catering, grounds maintenance. All various increase on expenditure for both internal and external areas.

(£30k) – Reduction in Carbon

Mitigation to those pressures

200k underspends mitigating the above pressures

Acceleration of the Norse commercial strategy is being developed in order to mitigate Norse profit share issues

Review of capital maintenance budget spend

A spending freeze of all non essential items has been put in place

Non Delivery of MTRP Savings

As per profile

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

Head of Service Commentary

Head of Service comments/ summary:

Mitigation measures - All non essential spend has been suspended until the overspend is brought back to sensible levels.

The current overspend in the main relates to the non achievement of the Norse profit share and the costs payable as a result of changes to the triennial superannuation valuation. The property and asset budget is being reviewed to consider all maintenance spending in 17/18 .

With the mitigation in place RIH would expect to see improvement month on month from the current position

Strategic Director Commentary

Strategic Director comments:

There has been an increase in the overspend forecast for RIH since the last budget monitor. This is as a result of issues arising within the IPU budget line. Colleagues in RIH and Finance are currently reviewing the detail underpinning this increase, to enable mitigation measures to be implemented, additional to those already in place for the IPU (i.e. A spending freeze across RIH and the development of an accelerated commercial strategy by Newport Norse).

Budget Monitoring Position – July 2017

Directorate

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	557	557	557	557	557	557	557	557	557	557	557	557
Forecast (£'000)	557	557	566	588	588	588	588	588	588	588	588	588
Variance (£'000)	0	0	9	31	31	31	31	31	31	31	31	31

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	526	526	526	526	526	526	526	526	526	526	526	526
Forecast (£'000)	526	505	505	515	515	515	515	515	515	515	515	515
Variance (£'000)	0	-21	-21	-11	-11	-11	-11	-11	-11	-11	-11	-11

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	APR	MAY	JUN	JUL								

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

Budget Monitoring Position – July 2017

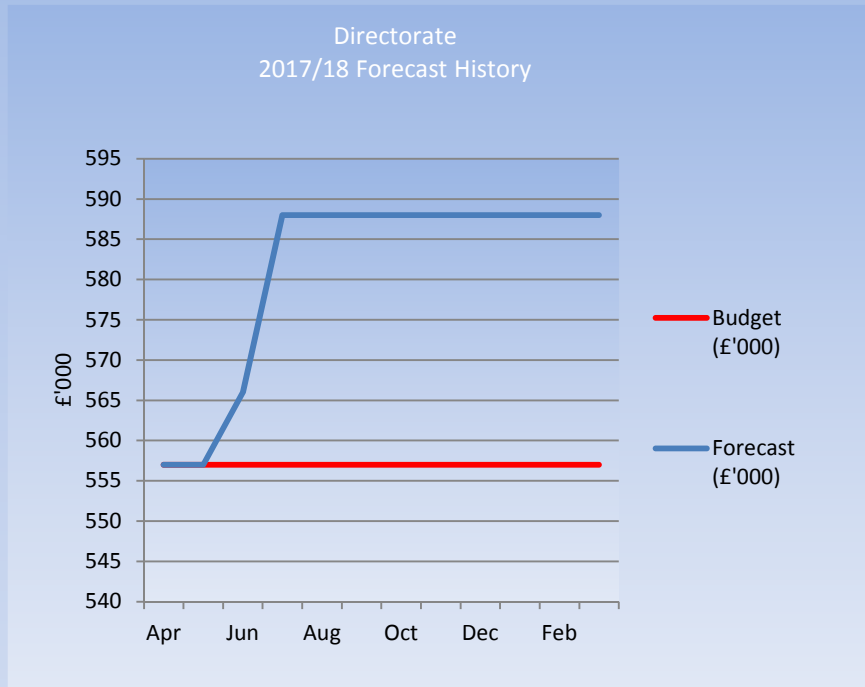
Directorate

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Collaborate work	0	21	21	21								
Golley Slater Telephone Marketing	0	0	9	9								
Catalyze Ltd	0	0	0	11								
Total	0	21	30	41								

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

Budget Monitoring Position – July 2017

Directorate



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 – July 2017

Directorate

Head of Service Commentary

Head of Service comments/ summary:

Strategic Director Commentary

Strategic Director comments:

Budget Monitoring Position – July 2017

Law & Regulation

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524
Forecast (£'000)	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524	6,524
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	5,867	5,867	5,867	5,867	5,867	5,867	5,867	5,867	5,867	5,867	5,867	5,867
Forecast (£'000)	5,867	6,072	6,096	6,088	6,088	6,088	6,088	6,088	6,088	6,088	6,088	6,088
Variance (£'000)	0	205	229	221	221	221	221	221	221	221	221	221

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	180	180	180	180								
Savings Realised cumulative (£'000)	180	180	177	177								
Variance (£'000)	0	0	3	3	0	0	0	0	0	0	0	0
FIP Reconciliation period	APR	MAY	JUN	JUL								

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
CCTV Income	-213	-163	50	R	Confirmed income for 17/18
Land Charges	-167	-167	0	G	Based on actual income to date
Public Protection Income Overall	-813	-997	-184	G	Income for Licenses, Hackney & Wardens



Budget Monitoring Position – July 2017

Law & Regulation

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Reduced Insurance Premiums & Supplies	0	-13	-15	-15								
Council Approved Functions - Hospitality	0	-24	-24	-24								
Reduction in CCTV Line Rental	0	-7	-7	-7								
Reduced spend on Council Newspaper	0	-12	-12	-12								
Reduced spend on Hackney based on 16/17	0	-29	-15	-15								
Rent Smart Wales	0	-10	-10	-10								
Agency Staff	0	0	23	23								
Other	0	-3	-19	-25								
Total	0	-98	-79	-85								

Budget Monitoring Position – July 2017

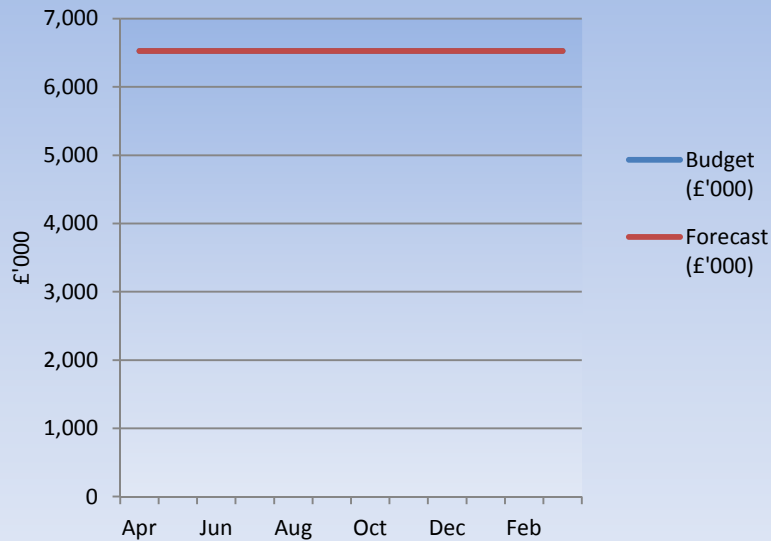
Law & Regulation

Changes since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	<p>CCTV income has been reduced by £50K. This is based on confirmed users for 17/18. The CCTV income was also lower than budget in 16/17 by £90K although this was considered permanently mitigated against in the maintenance contract.</p>
	<p>Licensing income for Houses in Multiple Occupation continue to be a potential risk in 2017/18 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.</p>
	<p>At the current time, staffing for Registrars is expected to be over budget by £49K. In 2016/17 spend on employees was over budget by £61K as predicted during the year. This overspend is expected to continue in 2017/18 as 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. This is being closely monitored by the Registration Services Manager and the structure is currently being reviewed due to the increase in registration activity. This growth has been sustained over recent years and staffing arrangements need to be evaluated to cope with demand.</p>

Budget Monitoring Position – July 2017

Law & Regulation

Law & Regulation
2017/18 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.
- Staffing for the Registrars is being closely monitored due to the current overspend. The structure is currently being reviewed.

BMS Submission Data

%

% of cost centres submitted by
budget holder deadline

63

Budget Monitoring Position – July 2017

Law & Regulation

Head of Service Commentary

Head of Service comments/ summary:

The forecast as at the end of July shows that the overall L&R budget remains on track.

The staffing budget is still showing a predicted overspend of £221k, largely due to on-going costs associated with delayed savings and redundancies related to particular posts, which will be resolved once the posts are eventually deleted. There is a recurring overspend in relation to the staffing costs in the Registration Service, due to the extended use of casual staff to cover for sickness absences and meet statutory deadlines, but the use of temporary cover will be regularised in the longer term as part of a review of the staffing arrangements. However, this overspend on the staffing costs is being managed and off-set by underspends in other areas and additional licensing fee income. There are marginal variations within various budgets since last month, but additional costs are again being off-set and balanced by corresponding savings in other areas.

The other on-going budget pressure is the £50k 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 and line-rental contract savings, alternative proposals for CCTV monitoring work for other councils and the re-structure of the service. The CCTV and Community Safety Warden services has now been relocated at the Civic Centre, with a combined management structure, which has delivered savings to mitigate the loss of the fee income.

Strategic Director Commentary

Strategic Director comments:

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Budget Monitoring Position – July 2017

Streetscene & City Services

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847	17,847
Forecast (£'000)	18,254	18,254	18,891	18,287	18,287	18,287	18,287	18,287	18,287	18,287	18,287	18,287
Variance (£'000)	407	407	1,044	440	440	440	440	440	440	440	440	440

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	10,992	10,992	11,051	11,166	11,166	11,166	11,166	11,166	11,166	11,166	11,166	11,166
Forecast (£'000)	11,009	11,009	11,258	11,109	11,109	11,109	11,109	11,109	11,109	11,109	11,109	11,109
Variance (£'000)	17	17	207	-57	-57	-57	-57	-57	-57	-57	-57	-57

MTRP Target (£'000)	430	430	430	430	430	430	430	430	430	430	430	430
Savings Realised (cumulative) (£'000)	361	361	361	361	332	332	332	332	332	332	332	332
Variance (£'000)	69	69	69	69	98	98	98	98	98	98	98	98
MTRP Target underachieved from previous year (£'000)	856	856	856	856	856	856	856	856	856	856	856	856
Savings Realised (cumulative) (£'000)	325	325	420	325	325	325	325	325	325	325	325	325
Variance (£'000)	531	531	436	531	531	531	531	531	531	531	531	531
FIP Reconciliation period	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

Budget Monitoring Position – July 2017





Streetscene & City Services

AREA OF RISK	Budget	Forecast	Variance	Status	Comments
	£'000	£'000	£'000		
Waste and Recycling	3,288	3,392	104	A	The budget includes a £350k MTRP saving for commercial/asbestos income which is not likely to be achieved fully in 17-18. New contract in Jul 17 of £170k has improved the overall position.
Fleet Management	2,024	2,105	81	R	Following the removal of a number of internal recharges, the level of income set within fleet is no longer achievable. Budgets and forecast are undergoing deeper analysis.
Operational Delivery	499	644	145	R	Following the cessation of most internal recharges this budget and forecast continues to be refined so that we can gain complete confidence in the figures.
Car Parks Income	(583)	(670)	(87)	A	Further analysis of the income has been completed and updated. This will need to be closely monitored to ensure accuracy.

Other Significant Variances	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Grounds	191	192	262	150								
Drainage	-56	-56	-41	-97								
Leisure Trust				-142								
Street Cleansing				69								
TOTAL	-	-	-	-20								

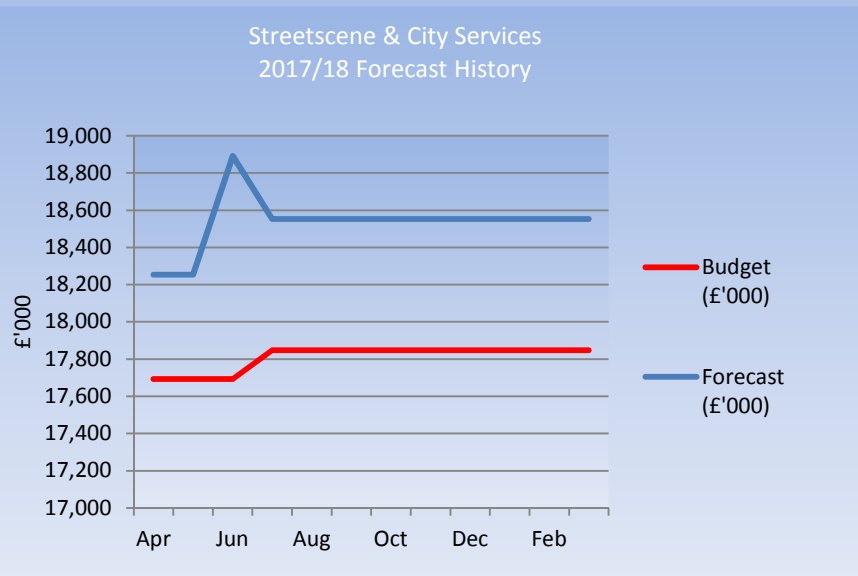
Budget Monitoring Position – July 2017

Streetscene & City Services

Change since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>Grounds – current overspend £150k. Grounds lost a number of external contracts and have been unable to be win any new contracts due to not filling contracts officer post therefore showing an underachieved level of income against budget targets. Seasonal agency have been employed to cover grass cutting and maintenance services. However amendments were made to the forecasts to help mitigate these pressures and reduction were made within Supplies and Service budgets - £60k as well a further meeting to discuss Manpower forecasts where a miscommunication the previous month has resulted in a reduction of £60k.</p>
	<p>Cleansing – current overspend £69k – Increased agency cost to cover sickness and vacancies . Some of these savings have been offset by increased costs to materials/plant.</p>
	<p>Drainage – current underspend of £97k an increase on June underspend of £41k – this is an area that needs extra scrutiny when carrying out the budget re-alignment exercise.</p>
	<p>Leisure Trust – current underspend of £142k an increase due to the early delivery of £60k savings amongst others but needs further scrutiny.</p>

Budget Monitoring Position – July 2017

Streetscene & City Services



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Head of Service Commentary

Management actions to address position:

Key Budget Variances

A freeze on discretionary spend remains in place, which has been forecast for the year as such there is a significant improvement from the previous month.

However the remains high demand as a result of poor baseline information.

A restructure is underway which will result in improved data, however it will not remove the costs issues.

Non Delivery of MTRP Savings

A number of savings for the year were incorrectly calculated and can only be offset by non-delivery of other work. A freeze in spending is mitigating this to some extent.

BMS Submission Data	%
% of cost centres submitted by budget holder deadline	82

Budget Monitoring Position – July 2017

Streetscene & City Services

Head of Service Commentary

Head of Service comments/ summary:

The freeze on non-critical expenditure has been forecast for the year and results in a significant improvement in position from the previous month. The remaining forecasted overspend is largely comprised of unachieved MTFP savings from previous years and incorrect calculations in baseline budget. We are working with managers to identify additional in year savings to offset this. However, further improvement is likely to be minimal and significant risks remain around the operations budget and additional service demands in grounds and highways.

Reduction in services may be needed to address the underlying budget position.

Strategic Director Commentary

Strategic Director comments:

The Streetscene forecast position has improved significantly since the last budget monitor. This is as a result of a range of actions: spending freeze on all non-essential expenditure; review of vacant posts and agency cover and closer monitoring of forecasting by budget holders. This work, and in particular support for and monitoring of forecasting will continue throughout the year, to ensure this become embedded within the service area. Non-achieved MTRP savings are also being reviewed as part of the 18/19 budget setting process.

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Budget Monitoring Position – July 2017

Finance

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719	2,719
Forecast (£'000)	2,719	2,719	2,731	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678	2,678
Variance (£'000)	0	0	12	-41	-41	-41	-41	-41	-41	-41	-41	-41

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	3,033	3,033	3,033	3,033	3,033	3,033	3,033	3,033	3,033	3,033	3,033	3,033
Forecast (£'000)	3,033	3,003	2,988	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989	2,989
Variance (£'000)	0	-30	-45	-44	-44	-44	-44	-44	-44	-44	-44	-44

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	197	197	197	197	197	197	197	197	197	197	197	197
Savings Realised (cumulative) (£'000)	197	197	197	197	197	197	197	197	197	197	197	197
Variance (£'000)	0	0	0	0	0	0	0	0	0	0	0	0
FIP Reconciliation period	APR	MAY	JUN	JUL								


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

Budget Monitoring Position – July 2017

Finance

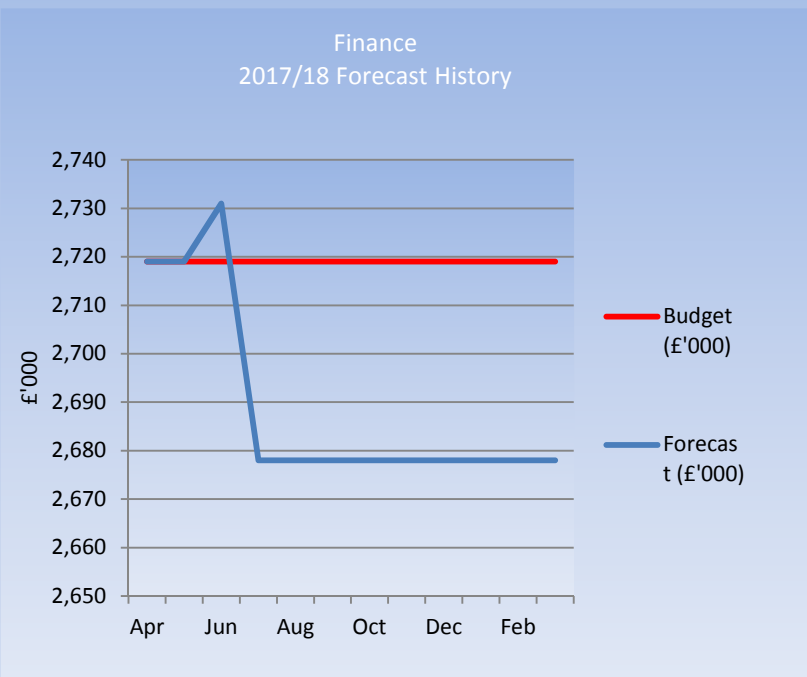
SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
NNDR - Reduction on income due to NDR grant	0	35	35	35								
Council Tax - postages and legal fees	0	0	12	12								
Accountancy - Fees & postages	0	0	14	12								
Procurement - reduction on fees and increase in income	0	0	0	-41								
Variance (£'000)	0	35	61	18	0	0	0	0	0	0	0	0

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Movement since last month	Current & Emerging Risks / Opportunities <i>(Including non delivery of MTRP savings)</i>
	<p>There are currently vacancies within Finance which has meant that the vacancy provision for 2017/18 has been met.</p> <p>There is a projected overspend on NDR due the reduction in grant income that will be received for 2017/18.</p>

Budget Monitoring Position – July 2017

Finance



BMS Submission Data	%
% of cost centres submitted by budget holder deadline	40%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

Following review of forecasts, following instigation of a targeted spending freeze, the forecasts have improved by c£60k – now at a net service underspend of £45k

Areas of underspending include:

- Staffing costs in audit and accountancy due to vacancies and problems in recruiting or delays while we consider a re-structure (£44k)
- Budget Management system project support – by delaying developments
- Subscription costs for the Welsh I-proc hub – funded by WG this year only

Areas of overspending include:

- Postages in the revenues team. E-mail is used whenever possible but correspondence with c tax payers etc. is very extensive
- WG grant income for NNDR administration costs

Non Delivery of MTRP Savings

on target to be delivered.

Budget Monitoring Position – July 2017

Finance

Head of Service Commentary

Head of Service comments/ summary:

Following review of forecasts with all service managers individually, following instigation of a targeted spending freeze, the forecasts have improved by c£60k – now at a net service underspend of £41k.

The base budget has some challenges and includes, like for many other areas, a vacancy provision and achieving this is dependant on vacancies occurring. With smaller staffing compliment, this is hard to achieve. Vacancies have generated a reasonable level of saving, though just enough to meet the vacancy saving target. The funding of the revenues team is a concern and we are confident we could achieve better collection with more resources. We're looking at this as a cost neutral option in going forward and matching, over the medium term, increased revenues from a relatively small increase in staff No's. WG fund the cost of NNDR administration as the Council acts as their 'agent' for this – the grant has reduced over last 2 years, resulting in an overspend

Strategic Director Commentary

Strategic Director comments:

APPENDIX 3 – Delivery of MTRP Savings

Financial Improvement Plan – July

Overall Summary	Education	Childrens	Adults	RIH	Streetscene	PBC	Finance	L&R	Non Service	Total 17/18
2017/18 MTRP Target (£) Total	£395,000	£930,000	£1,504,000	£409,000	£430,000	£357,000	£197,000	£180,000	£1,173,000	£5,575,000
Total Savings Realised by Year End 2017/18	£395,000	£900,000	£1,395,929	£297,833	£361,000	£357,000	£197,000	£177,000	£1,173,000	£5,253,762
Variation to MTRP Target	£0	-£30,000	-£108,071	-£111,167	-£69,000	£0	£0	-£3,000	£0	-£321,238
Variation % to MTRP Target	0%	-3%	-7%	-27%	-16%	0%	0%	-2%	0%	-6%

APPENDIX 4 – Planned Movement in Reserves

Reserve	Balance at 31-Mar-17	Planned movements in year												Balance at 31-Mar-18
		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	(4,831)												3,000	(1,831)
Earmarked Reserves:														
Pay Reserve	(1,418)													(1,418)
Music Service	(167)													(167)
Insurance Reserve	(1,706)													(1,706)
MMI Insurance Reserve	(602)												300	(302)
Health & Safety	(16)												16	-
Education Achievement Service	(92)													(92)
Schools Redundancies	(708)				708									-
Friars Walk	(9,985)												3,750	(6,235)
NEW - European Funding I2A & CFW	(79)												79	-
NEW - Metro Bus	(9)												9	-
SUB TOTAL - RISK RESERVES	(14,782)	-	-	-	708	-	-	-	-	-	-	-	4,154	(9,920)
Capital Expenditure	(5,817)												2,200	(3,617)
Invest to Save	(11,050)												2,066	(8,984)
Super Connected Cities	(670)												120	(550)
Landfill (fines reserve)	(345)													(345)
Christmas Lights	(15)												15	-
Usable Capital Receipts	(11,742)												8,000	(3,742)
SUB TOTAL - ENABLING RESERVES	(29,638)	-	-	-	-	-	-	-	-	-	-	-	12,401	(17,237)
STEP School Computers	(473)												100	(373)
Municipal Elections	(154)												100	(54)
Local Development Plan	(572)												(61)	(633)
Glan Usk PFI	(1,499)													(1,499)
Southern Distributor Road PFI	(44,515)												212	(44,303)
SUB TOTAL - SMOOTHING RESERVES	(47,214)	-	-	-	-	-	-	-	-	-	-	-	351	(46,863)

Scrutiny Report

Performance Scrutiny Committee – Place and Corporate

Part 1

Date: 2 October 2017

Subject Performance Analysis - Year End Summary

Author Overview and Scrutiny Officer

The following people have been invited to attend for this item:

Service Area	Head of Service	Cabinet Member
Regeneration, Investment and Housing	Keir Duffin Head of Regeneration, Investment and Housing	Councillor Jane Mudd - Cabinet Member for Regeneration and Housing; Councillor Debbie Harvey - Cabinet Member for Culture and Leisure; Councillor David Mayer - Cabinet Member for Communities and Resources.
Streetscene and City Services	Paul Jones Head of Streetscene and City Services	Councillor Roger Jeavons - Cabinet Member for Streetscene Councillor David Mayer - Cabinet Member for Communities and Resources.
Law and Regulation	Gareth Price Head of Law and Regulation	Ray Truman Cabinet Member for Regulatory Functions
Finance	Meirion Rushworth Head of Finance	TBC
People and Business Change	Rhys Cornwall Head of People and Business Change	TBC

Section A – Committee Guidance and Recommendations

1 Recommendations to the Committee

The Committee is asked to consider and evaluate the Wales Public Accountability Measures Analysis 2016/17 (**Appendix 1**) and determine if it wishes to make any comments to the Cabinet on the performance of the Council.

2 Context

- 2.1 Each year data is submitted to the Data Unit Wales for comparison to other Welsh Authorities. The data set submitted is known as 'Public Accountability Measures' or PAMs and they enable local authorities to give account of their performance to the public, including comparing their performance with that of other authorities. The PAMs also enable the public to hold the authority to account over issues that matter most to them.

The data for each Local Authority is published in the media and on the Data Unit's website so that it is accessible to the public.

The analysis attached in **Appendix 1** provides the performance for 2016/17 and includes comparisons of Newport City Council against the other Welsh Local Authorities.

These comparator figures do not take into consideration the potential impacts of financial position, population demographics or service demands.

13 out of 25 (52% of national measures have improved and 2 measures remain the same and regular monitoring of performance by Heads of Service and Cabinet Members has improved performance. While this is positive, the report also shows that we have the least number of measures in Quartile 1. In addition, the new process of reporting performance to Scrutiny before the Executive which commences with these reports, should enable further effective challenge and improvement.

3 Information Submitted to the Committee

- 3.1 The Wales Public Accountability Measures Analysis is attached to as **Appendix 1** .

4 Suggested Areas of Focus

- 4.1 The Committee agreed in its Annual Work Programme at the meeting on 11 September 2017: *"To consider overall performance data for the service plan measures, Improvement Plan performance and national measure performance."*

The Committee is therefore asked to evaluate the Service Areas performance and might wish to consider how the Council performed last year, particularly in the context of the other authorities performance.

Section B – Supporting Information

5 Additional Data and Analysis

5.1 Wellbeing of Future Generations (Wales) Act 2015

This report enables Cabinet Members to monitor the current position of the council's performance, this helps to drive improvement over the short and long-term and prevent poor performance.

Performance measures are also reported through the service plans and the improvement plan, which take into account the sustainable development principle promoted in the Act and the five ways of working; long-term, prevention, integration, collaboration and involvement.

6 Links to Council Policies and Priorities

- 6.1 This report relates to the Performance Measures that support the achievement of the Council's Service Plans, Improvement Priorities and Wellbeing objectives.

7 Risks

- 7.1 There are no risks to this report; each measure is monitored through service planning. Each service plan identifies any risk associated with each service area.

8 Financial Implications

- 8.1 There are no financial implications to this report.

9 Background Papers

- 9.1 Regeneration Investment and Housing Service Plan 2016/17
Streetscene and City Services Service Plan 2016-17
Law and Regulation Service Plan 2016/17
People & Business Change Service Plan 2016/17
Finance Service Plan 2016-17

Report Completed: 25 September 2017

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NSI and PAM Wales Analysis

Each year the council submits data to the Data Unit Wales, which has produced an analysis tool to enable Welsh authorities to compare their performance across 25 measures in 2016/17. The data for each Local Authority is published in the media and on the Data Unit’s website.

Newport has continued to improve performance in national measures despite a backdrop of budget cuts and limited resources. The improvements reflect significant efforts made in service areas within the Council. It is important to note that these comparator figures do not take into consideration the potential impacts of financial position, population demographics or service demands.

Newport’s Performance 2016/17

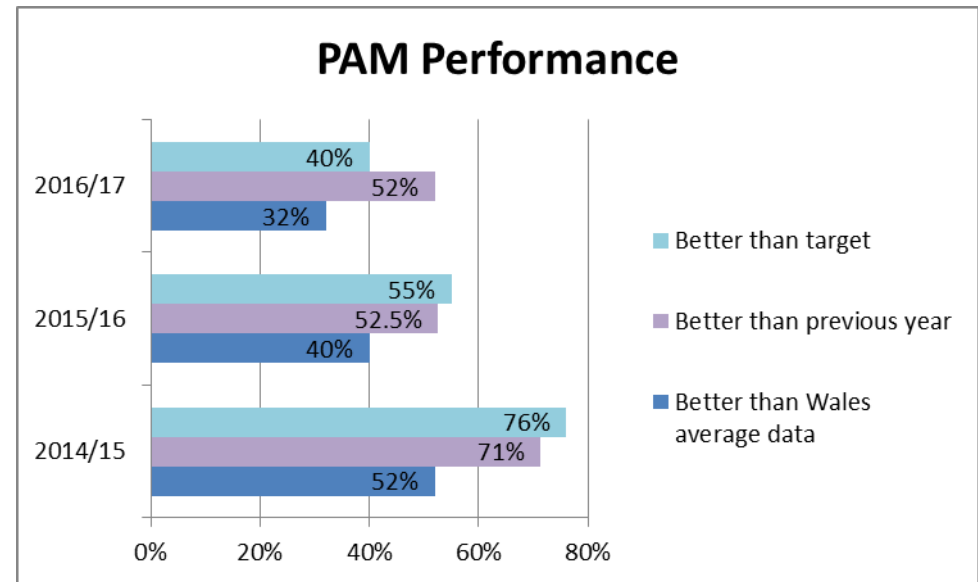
Overall Summary of Performance

In 2016/17 the council has continued to improve in 52% (13 out of 25) of national measures and 8% (2) measures remained the same.

These figures combined show that 60% of national measures have either improved or remained the same.

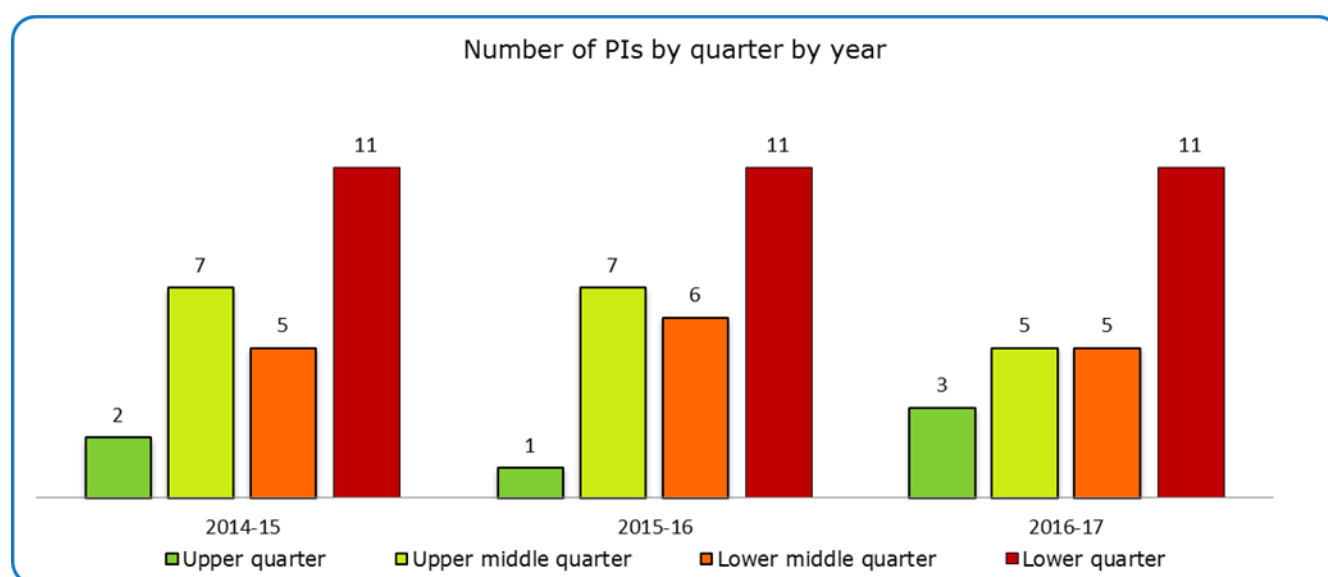
Regular monitoring of performance throughout the year by Heads of Service and Cabinet Members has delivered improved services.

PAM Performance	2014/15	2015/16	2016/17
Better than Wales average data	52%	40%	32%
Better than previous year	71%	52.5%	52%
Better than target	76%	55%	40%



Quartile Performance 2016/17

There are a high proportion of measures in quartile 4; these measures are shown in the table below.



Measures in Quartile 4

Performance Indicator	PI value	Year on year performance - 2015-16 vs. 2016-17 (based on PI value)	Year on year performance - 2015-16 vs. 2016-17 (based on quarter position)	Rank
EDU/004: The percentage of pupils assessed at the end of Key Stage 3, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	83.4	↑	→	19
EDU/015b: The percentage of final statements of special education need issued within 26 weeks, excluding exceptions	84.4	↑	→	21
EDU/016b: Percentage of pupil attendance in secondary schools	93.3	↑	→	21
LCL/001(b): The number of visits to Public Libraries during the year, per 1,000 population	3,292	↑	→	22
WMT/009(b): The percentage of municipal waste collected by local authorities and prepared for reuse and/or recycled, including source segregated biowastes that are composted or treated biologically in another way	61.39	↑	→	18
EDU/006ii: The percentage of pupils assessed, in schools maintained by the local authority, receiving a Teacher Assessment in Welsh (first language) at the end of Key Stage 3	0.0	→	→	19
EDU/016a: Percentage of pupil attendance in primary schools	94.5	→	→	21

Performance Indicator	PI value	Year on year performance - 2015-16 vs. 2016-17 (based on PI value)	Year on year performance - 2015-16 vs. 2016-17 (based on quarter position)	Rank
EDU/002i: The percentage of all pupils (including those in LA care) in any LA maintained school, aged 15 as at the preceding 31 August that leave compulsory education, training or work based learning without an approved external qualification	0.3	↓	→	19
EDU/011: The average point score for pupils aged 15 at the preceding 31 August, in schools maintained by the local authority	477.7	↓	↓	19
PLA/006(b): The number of additional affordable housing units provided during the year as a percentage of all additional housing units provided during the year	22	↓	→	22
PSR/004: The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority	3.87	↓	↓	16

Measures where performance has declined

Performance for 13 measures has improved which represents 52% of the PAM data set, 32% of measures have declined in performance.

Performance Indicator	Quarter	PI value	Year on year performance - 2015-16 vs. 2016-17 (based on PI value)	Year on year performance - 2015-16 vs. 2016-17 (based on quarter position)	Rank
EDU/002i: The percentage of all pupils (including those in LA care) in any LA maintained school, aged 15 as at the preceding 31 August that leave compulsory education, training or work based learning without an approved external qualification	4	0.3	↓	→	19

Performance Indicator	Quarter	PI value	Year on year performance - 2015-16 vs. 2016-17 (based on PI value)	Year on year performance - 2015-16 vs. 2016-17 (based on quarter position)	Rank
EDU/003: The percentage of pupils assessed at the end of Key Stage 2, in schools maintained by the local authority, achieving the Core Subject Indicator, as determined by Teacher Assessment	3	88.8	↓	↓	12
EDU/011: The average point score for pupils aged 15 at the preceding 31 August, in schools maintained by the local authority	4	477.7	↓	↓	19
LCS/002(b): The number of visits to local authority sport and leisure facilities during the year per 1,000 population where the visitor will be participating in physical activity	3	8,038	↓	↓	14
PLA/006(b): The number of additional affordable housing units provided during the year as a percentage of all additional housing units provided during the year	4	22	↓	→	22
PPN/009: The percentage of food establishments which are 'broadly compliant' with food hygiene standards	2	95.10	↓	→	11
PSR/004: The percentage of private sector dwellings that had been vacant for more than 6 months at 1 April that were returned to occupation during the year through direct action by the local authority	4	3.87	↓	↓	16
THS/012: The percentage of principal (A) roads, non-principal (B) roads and non-principal (C) roads that are in overall poor condition	2	5.7	↓	→	7

Scrutiny Report

Performance Scrutiny Committee - Place and Corporate

Part 1

Date: 2 October 2017

Subject: Forward Work Programme Update

Author Senior Overview and Scrutiny Officer

The following officers have been invited to attend for this item:
Liz Blayney – Senior Overview and Scrutiny Officer

Section A – Committee Guidance and Recommendations

1. Recommendations to the Committee

The Committee is asked to:

- (i) Endorse the proposed schedule for the next two Committee meetings;
- (ii) Confirm the topics to be considered, the invitees for each item, and indicate whether any additional information or research is required; and
- (iii) Note the list of reports that have been sent to the Committee for information over the last month.

2. Context

- 2.1 The purpose of a forward work programme is to help ensure Councillors achieve organisation and focus in the undertaking of enquiries through the Overview and Scrutiny function. Effective work programming is essential to ensure that the work of Overview and Scrutiny makes a positive impact upon the Council's delivery of services.
- 2.2 The Centre for Public Scrutiny's Good Scrutiny Guide recognises the importance of the forward work programme. In order to 'lead and own the process', it states that Councillors should have ownership of their Committee's work programme, and be involved in developing, monitoring and evaluating it. The Good Scrutiny Guide also states that, in order to make an impact, the scrutiny workload should be co-ordinated and integrated into corporate processes, to ensure that it contributes to the delivery of corporate objectives, and that work can be undertaken in a timely and well-planned manner.
- 2.3 Further information about the work programming process, including the procedures for referring new business to the programme, can be found in our Scrutiny Handbook on the Council's Scrutiny webpages (www.newport.gov.uk/scrutiny).

3. Information Submitted to the Committee

3.2 The following information is attached:

Appendix 1: The current Committee forward work programme;

Appendix 2: List of information Reports sent to the Committee over the last month.

Section B – Supporting Information

4 Risk

- 4.1 If proper work programming procedures are not put in place, the organisation and prioritisation of the work programme is put at risk. The work of Overview and Scrutiny could become disjointed from the work of the rest of the Council, which could undermine the positive contribution Overview and Scrutiny makes to service improvement through policy development.
- 4.2 This report is presented to each Committee every month in order to mitigate that risk. The specific risks associated with individual topics on the work programme will need to be addressed as part of the Committee's investigations.

5 Links to Council Policies and Priorities

- 5.1 Having proper work programming procedures in place ensures that the work of Overview and Scrutiny makes a positive impact upon the Council's delivery of services, contributes to the delivery of corporate objectives, and ensures that work can be undertaken in a timely and well-planned manner.

6 Financial Implications

- 6.1 There will be financial consequences for some of the reviews undertaken. These will be commented upon by the Head of Finance as the reports are presented. The preparing and monitoring of the work programme is done by existing staff for which budget provision is available.

Background Papers

Scrutiny Handbook

Performance Scrutiny Committee – Place and Corporate
– Forward Work Programme

Monday, 11 December 2017 at 4pm		
Topic	Invitees	Information Required/ Committee's Role
<p>Improvement Plan</p> <p>Quarterly Update: Q2</p>	<p>IP Objective 3:</p> <ul style="list-style-type: none"> Head of Regeneration, Investment and Housing; Cabinet Member for Regeneration and Housing. <p>IP Objective 4:</p> <ul style="list-style-type: none"> Head of Regeneration, Investment and Housing; Cabinet Member for Regeneration and Housing. <p>IP Objective 5:</p> <ul style="list-style-type: none"> Head of Regeneration, Investment and Housing; Cabinet Member for Education and Skills. <p>IP Objective 7:</p> <ul style="list-style-type: none"> Head of Streetscene and City Services; <ul style="list-style-type: none"> Cabinet Member for Streetscene. 	<p>Performance Monitoring - holding the executive to account for the Council's performance.</p> <p>To consider the progress of the Council towards actions associated with the improvement plan objectives and provide comment to Cabinet.</p> <p><i>The current relevant objectives for the Committee are:</i></p> <p>3 - <i>Ensuring people have access to suitable accommodation.</i></p> <p>4 - <i>City Regeneration and Development</i></p> <p>5 - <i>Supporting young people into education, employment or training.</i></p> <p>7 - <i>Increasing Recycling.</i></p> <p>The Committee will be receiving this update prior to Cabinet considering the report and any comments or recommendations from the Committee will be provided to the Cabinet when they consider this report.</p>
<p>Performance Update:</p> <ul style="list-style-type: none"> Performance Mid Year Analysis Service Area Performance Data (RIH and SS) 	<p>For Regeneration, Investment and Housing (RIH):</p> <ul style="list-style-type: none"> Head of Regeneration, Investment and Housing; Cabinet Member for Regeneration and Housing Cabinet Member for Culture and Leisure; Cabinet Member for Community and Resources. <p>For Streetscene and City Services (SS):</p> <ul style="list-style-type: none"> Head of Streetscene and City Services; Cabinet Member for Streetscene; Cabinet Member for Community and Resources. 	<p>Performance Monitoring - holding the executive to account for the Council's performance, focusing on:</p> <ul style="list-style-type: none"> Achievement of agreed measures, outcomes and actions; Scrutinising progress in improvements to areas of poor performance; Assessing the extent to which performance objectives are contributing to the overall objectives and priorities of the Council; Assessing the extent to which performance is in keeping with the performance management strategy. <p>The purpose of these reports is to give the Scrutiny Committees an overall picture of the Councils performance to provide a context to the Committees consideration of the more service specific reports on its work programme. The Committee will also receive more detail on the service area performance for RIH and SS, including detail on the red and amber measures and finance dashboard.</p>

Performance Scrutiny Committee – Place and Corporate
– Forward Work Programme

Monday 22 January 2018 at 4pm		
Topic	Invitees	Information Required/ Committee's Role
Draft Cabinet Budget Proposals	<p>For Budget process:</p> <ul style="list-style-type: none"> • Head of Finance. <p>For Regeneration, Investment and Housing:</p> <ul style="list-style-type: none"> • Strategic Director – Place; • Head of Regeneration, Investment and Housing. <p>For Streetscene and City Services:</p> <ul style="list-style-type: none"> • Strategic Director – Place; • Head of Streetscene and City Services. <p>For Corporate:</p> <ul style="list-style-type: none"> • Head of People and Business Change; • Head of Law and Regulation; • Head of Finance. 	<p>The Committee will receive the draft Cabinet Budget Proposals for 2018/19 and part of the public consultation.</p> <p>Budget Proposals</p> <ul style="list-style-type: none"> • Scrutinising of Service specific proposals a part of the budget consultation process; • Assessing the anticipated impact of the budget proposals on services, performance, service users, partnerships and staffing levels; <p>The recommendations / comments all scrutiny Committees relating to the draft budget proposals will be coordinated by the Overview and Scrutiny Management Committee at their meeting on 1 February 2018, and subsequently forwarded to Cabinet for consideration in approving the final proposals.</p>

<u>Information Reports</u>		
To be circulated to Members by email for comment and included in monthly Information Report section of Work Programme report.		
None scheduled.	-	None

List of Reports sent to the Committee for information
Up to 25 September

Name of Report	Date sent to Committee	Comments Received
End of Year Updates (2016/17) of Service Plans : Regeneration, Investment and Housing Streetscene and City Services Law and Regulation People and Business Change Finance	22 September 2017	None.

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