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Contact:/Cysylltwch â: Gwasanaethau Democraataidd



**THIS IS A MEETING WHICH THE PUBLIC ARE ENTITLED TO ATTEND**

Dydd Gwener, 11 Rhagfyr 2020 Dydd Gwener, 11 Rhagfyr 2020

Dear Sir/Madam

**CYFARFOD ARBENNIG O'R CYNGOR**

A meeting of the Cyfarfod Arbennig o'r Cyngor will be held in Siambr y Cyngor, Canolfan Ddinesig on Dydd Iau, 17eg Rhagfyr, 2020 at 10.00 am.

Yours faithfully

Michelle Morris  
Managing Director

**AGENDA**

**Pages**

**1. CYFIEITHU AR Y PRYD**

Mae croeso i chi ddefnyddio'r Gymraeg yn y cyfarfod, mae angen o leiaf 3 diwrnod gwaith o rybudd os dymunwch wneud hynny. Darperir gwasanaeth cyfieithu ar y pryd os gwneir cais.

**2. YMDDIHEURIADAU**

Derbyn ymddiheuriadau.

We welcome correspondence in the medium of Welsh or English. / Croesawn ohebiaith trwy gyfrwng y Gymraeg neu'r Saesneg.

3. **DATGANIADAU BUDDIANT A GODDEFEBAU**

Ystyried unrhyw ddatganiadau buddiant a goddefebau a wnaed.

4. **STRATEGAETH ARIANNOL TYMOR CANOL  
2021/2022 I 2025/2026** 5 - 54

Ystyried adroddiad y Prif Swyddog Adnoddau.

5. **BIL LLYWODRAETH LEOL AC ETHOLIADAU  
(CYMRU): CYDBWYLLGORAU CORFFORAETHOL A  
PHERFFORMIAD A LLYWODRAETHIANT PRIF  
GYNGHORAU** 55 - 70

Ystyried yr adroddiad ar y cyd gan y Pennaeth Cydymffurfiaeth Cyfreithiol a Chorfforaethol a'r Pennaeth Llywodraethiant a Phartneriaethau.

6. **PENODI AELOD LLEYG I'R PWYLLGOR ARCHWILIO** 71 - 74

Ystyried adroddiad y Prif Swyddog Adnoddau.

To: M. Moore (Cadeirydd)  
J. Holt (Deputy Chair)  
G. A. Davies  
G. Paulsen  
L. Winnett  
P. Edwards  
G. Collier  
J. Collins  
M. Cook  
M. Cross  
N. Daniels  
P. Baldwin  
D. Davies  
G. L. Davies  
M. Day  
D. Bevan  
L. Elias  
D. Hancock  
K. Hayden  
S. Healy  
J. Hill  
W. Hodgins  
M. Holland  
J. Mason

H. McCarthy  
C. Meredith  
J. Millard  
J. C. Morgan  
J. P. Morgan  
L. Parsons  
K. Pritchard  
K. Rowson  
T. Sharrem  
T. Smith  
B. Summers  
B. Thomas  
G. Thomas  
S. Thomas  
H. Trollope  
J. Wilkins  
D. Wilkshire  
B. Willis

All other Members (for information)  
Manager Director  
Chief Officers

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# Agenda Item 4

*Executive Committee and Council only*

Date signed off by the Monitoring Officer: 4.12.20

Date signed off by the Section 151 Officer: 4.12.20

**Committee: Special Council**

Date of Meeting:

**17<sup>th</sup> December, 2020**

Report Subject:

**Medium Term Financial Strategy  
2021/2022 to 2025/2026**

Portfolio Holder:

**Councillor Nigel Daniels, Leader of  
the Council/Executive Member –  
Corporate Services**

Report Submitted by:

**Rhian Hayden, Chief Officer  
Resources**

Report Written by:

**Gina Taylor – Service Manager  
Accountancy**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	01/12/2020				11/12/2020		17/12/2020	

**1. Purpose of the Report**

1.1 The report is presented to Members to gain approval of the Medium Term Financial Strategy (MTFS) and provides Members with the latest assessment of the Council's financial position over the next 5 years.

**2. Scope and Background**

2.1 The Medium Term Financial Strategy (MTFS), is a key element within the Council's strategic planning framework. It is this financial framework which will support the Council's financial resilience and ensure it operates sustainably.

2.2 The MTFS brings together all known factors affecting the Council's financial position and forms the basis for decision making. The MTFS includes a forward look over the next five years to assess the spending requirements the Council is likely to face to deliver the priorities set out in the Corporate Plan and highlights the level of cuts (reducing or stopping services) that will need to be made to ensure the Council can set a balanced budget each year.

2.3 The MTFS proposes the approach that the Council will take to respond to the financial challenges we face over the next five-year period. This will be an iterative process and one that will be developed and refined as our funding position from Wales Government becomes clearer and strategic business reviews are further developed and implemented.

2.4 On the 25 November 2020 the UK Government concluded its one year spending review, having delayed it from July to focus on responding to the

ongoing coronavirus pandemic. As a consequence, Wales Government has delayed the announcement of their budget and the provisional Local Government Settlement which is now expected on 22<sup>nd</sup> December 2020, with the final settlement due 2<sup>nd</sup> March 2021. This delay has implications for the budget setting process for 2021/2022 and planning for setting a balanced budget.

### 3. Options for Recommendation

3.1 *To include Recommendation(s) / Endorsement by other groups, e.g. CMT/Committees/Other groups)*

#### **Option 1 – That Council:-**

- Consider and approve the MTFS;
- Note the forecast funding gap for the period of the MTFS;
- Note the cost pressures identified at Appendix 1 of the MTFS;
- Note the progress update within the Strategic Business Reviews attached at Appendix 2 of the MTFS.

**Option 2 – Council provide comments and challenge the assumptions in the MTFS and the progress made to the Bridging the Gap Programme.**

### 4. Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan

4.1 The Medium Term Financial Strategy (MTFS) is a key element within the Council's strategic planning framework and supports the delivery of the priorities set out in the Corporate Plan.

### 5. Implications Against Each Option

#### 5.1 *Impact on Budget (short and long term impact)*

5.1.1 Based upon the assumptions in the MTFS and the cost pressures identified in Appendix 2, a budget gap of £16m over the next 5 years is forecast as follows:

Table 1: MTFS Budget Gap

2021/2022 £m	2022/2023 £m	2023/2024 £m	2024/2025 £m	2025/2026 £m	Total £m
2.9	4.7	2.7	2.7	2.7	15.7

5.1.2 The Council's ability to progress a number of the Strategic Business Reviews have been impacted by the Covid-19 pandemic. An update on each review is provided at Appendix 2 of the MTFS. The overall current financial assessment towards the budget gap is currently assessed as between £4.4m and £7.2m over the period of the MTFS as follows:

Table 2: Estimated Financial Achievement of the Strategic Business Reviews

	Estimated Achievement							
	2021/2022		2022/2023		2023/2024		2024/2025 & 2025/2026	
	£m		£m		£m		£m	
	Low	High	Low	High	Low	High	Low	High
<b>Strategic Business Reviews</b>	0.5	1.0	1.2	1.7	0.9	1.4	0.9	1.5

5.1.3 Based on the current estimated achievement from the Strategic Business Reviews compared to the budget gap identified in the MTFS, there is a residual funding gap as follows:

Table 3: Residual Funding Gap

	2021/2022		2022/2023		2023/2024		2024/2025 & 2025/2026	
	£m		£m		£m		£m	
	Low	High	Low	High	Low	High	Low	High
<b>Residual Funding Gap</b>	2.4	1.9	3.6	3	1.9	1.3	1.8	1.2

5.1.4 Bridging the Gap remains the council's medium/long term strategy to address the budget gaps currently identified. However for 2021/22, additional proposals will be developed to mitigate the possible residual funding gap.

## 5.2 ***Risk including Mitigating Actions***

5.2.1 The assumptions built into the MTFS may change over time e.g. pay & inflation rates, service demand, Revenue Support grant and Council Tax levels.

5.2.2 The Council's current MTFS contains a number of assumptions which impact on the level of its income and expenditure. Changes in these assumptions can have a fundamental effect on the budget gap over the next 5 years. The impact of a 1% change on our main assumptions has been calculated and can be seen in the following table:-

<b>Assumptions within the MTFS</b>	<b>+/- 1% £'000</b>
ISB – Cash flat	450
AEF – Cash flat	1,160
Council Tax	354
Non-Employee Inflation	650
Pay	500

5.2.3 There is a risk that the current Strategic Business reviews do not identify sufficient financial benefits to Bridge the Gap in the medium to long term. Additional / alternative proposals may therefore be required.

5.2.4 Progress against predicted delivery of Bridging the Gap proposals form part of the budget monitoring arrangements.

5.2.5 These risks are also mitigated by regularly reviewing the assumptions and revising the MTFS to reflect updated information. MTFS will be updated following announcement of the local government settlement.

### 5.3 ***Legal***

5.3.1 The Council must set a balanced budget on an annual basis. The MTFS & Bridging the Gap proposals will support this requirement.

### 5.4 ***Human Resources***

5.4.1 Not applicable for this report.

## 6. **Supporting Evidence**

### 6.1 ***Performance Information and Data***

6.1.1 The attached Medium Term Financial Strategy & Bridging the Gap provides information for Members consideration.

### 6.2 ***Expected outcome for the public***

6.2.1 The MTFS will support the Council in the development of its annual budgets which in turn will allow the Council to deliver services to the public.

### 6.3 ***Involvement (consultation, engagement, participation)***

6.3.1 Officers & Members of the Council are involved in the development of the MTFS & Bridging the Gap Strategic Business Reviews.

6.3.2 The proposals have/will be considered by the appropriate Scrutiny Committee.

6.3.3 Public engagement will be undertaken as part of the budget setting process.

### 6.4 ***Thinking for the Long term (forward planning)***

6.4.1 The MTFS forecasts the financial position of the Council for a 5 year period and provides information upon which the Council can plan for the future.

### 6.5 ***Preventative focus***

6.5.1 Included within the Bridging the Gap programme is a proposal focussing on an evaluation of the long term impact of prevention and early intervention on



reducing the requirement for high cost services and better outcomes for our most vulnerable residents.

**6.6 Collaboration / partnership working**

6.6.1 Achievement of the Bridging the Gap proposals will require cross Council working and collaboration / partnerships with other stakeholders.

**6.7 Integration(across service areas)**

6.7.1 Bridging the Gap proposals have been developed across the Council and are crosscutting in nature.

**6.8 EqIA(screening and identifying if full impact assessment is needed)**

6.8.1 Equality Impact Assessments will be undertaken on the opportunities taken forward as part of the Bridging the Gap proposals.

**7. Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

The MTFs & Bridging the Gap will be considered by Scrutiny and Council as part of the Council's financial planning arrangements.

**Background Documents /Electronic Links**

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Cyngor Bwrdeistref Sirol

# Blaenau Gwent

County Borough Council

## **MEDIUM TERM FINANCIAL STRATEGY**

**2021/2022 to 2025/2026**

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## 1. **Introduction**

- 1.1 The Medium Term Financial Strategy (MTFS), the Council's key financial planning document, is an integral part of the Council's Corporate Business Planning arrangements. The Strategy covers a 5 year period and is updated, reviewed and approved annually by Council. The Strategy will change over time as new opportunities, or policy decisions affect the financial position of the Council.
- 1.2 The MTFS includes a forward look over the next five years to assess the spending requirements the Council is likely to face to deliver its priorities and the level of cuts i.e. reducing or stopping services that will need to be made to ensure the Council can set a balanced budget each year. It provides guidance for officers and Members on the short, medium and longer term financial challenges and enables advance financial planning to be carried out, assisting the Council to understand and meet future demands. Planning now to meet known or anticipated changes in the future provides greater opportunity to phase in the impact of the changes.
- 1.3 The Strategy sets out how the Council will finance its priorities, having regard for the Corporate Plan.

## 2. **Corporate Plan**

- 2.1 The Council's response to the Covid-19 pandemic has provided the Council an opportunity to build on the positive work of the past few months to strengthen and modernise the Council, adopting new working practices and challenging how things were done before, in order to map out an ambitious future, create a stronger organisation and to sustain the strong relationships forged with communities and partners.
- 2.2 This has led to the Corporate Plan being refreshed and enhancing our One Council approach. The Council approved the Corporate Plan 2020-2022 in July 2020 and this sets out the Council's Vision, Values and Outcomes and these are:

### **Our Core Vision:**

Proud Heritage

Strong Communities

Brighter Future

## Our Core Values:



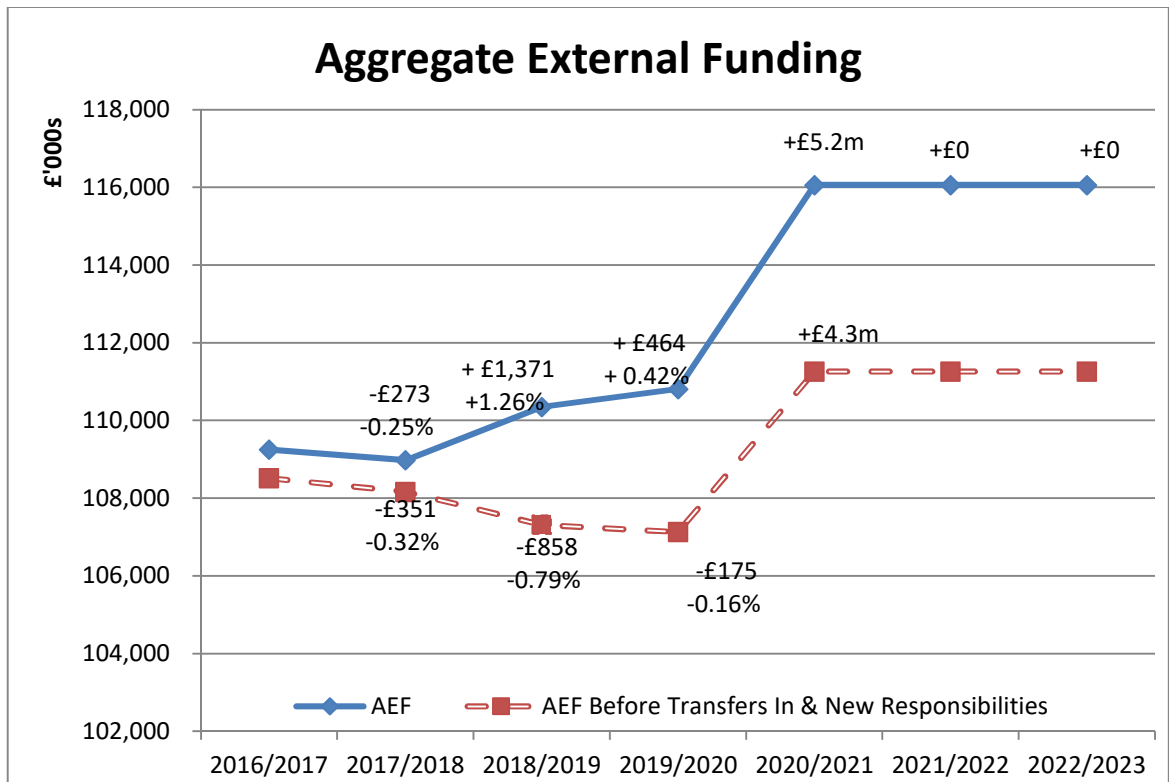
## Our Outcome Statements:

- Protect and enhance our environment and infrastructure to benefit our communities
- Support a fairer sustainable economy and community
- To enable people to maximise their independence, develop solutions and take an active role in their communities
- An ambitious and innovative council delivering the quality services we know matter to our communities.

### 3. **Revenue Settlement – Recent Trends**

- 3.1 2020/2021 revenue settlement was the first year since 2013/2014 that the Council received an increase in the Revenue Support Grant from Welsh Government.
- 3.2 The Council's revenue settlements for the period 2016/2017 to 2020/2021 and forecast of future settlements is shown in Figure 1. This illustrates the actual cash impact and the impact excluding transfers into the settlement for grants and new responsibilities.

Figure 1: Trend in Aggregate External Funding



3.3 The graph demonstrates that on a cash basis the funding received from Wales Government has increased overall by £6.8m between 2016/17 and 2020/21. However, in real terms, when Grants transferring into the settlement and new responsibilities are excluded, the funding increase is reduced to £3m. However, RSG is still lower in cash terms by £1.1m than in 2013/2014.

3.4 This when combined with increased demand for services and increasing costs have contributed to the financial challenge the council has faced in delivering its services to the residents of Blaenau Gwent.

3.5 **2020/2021 Revenue Budget**

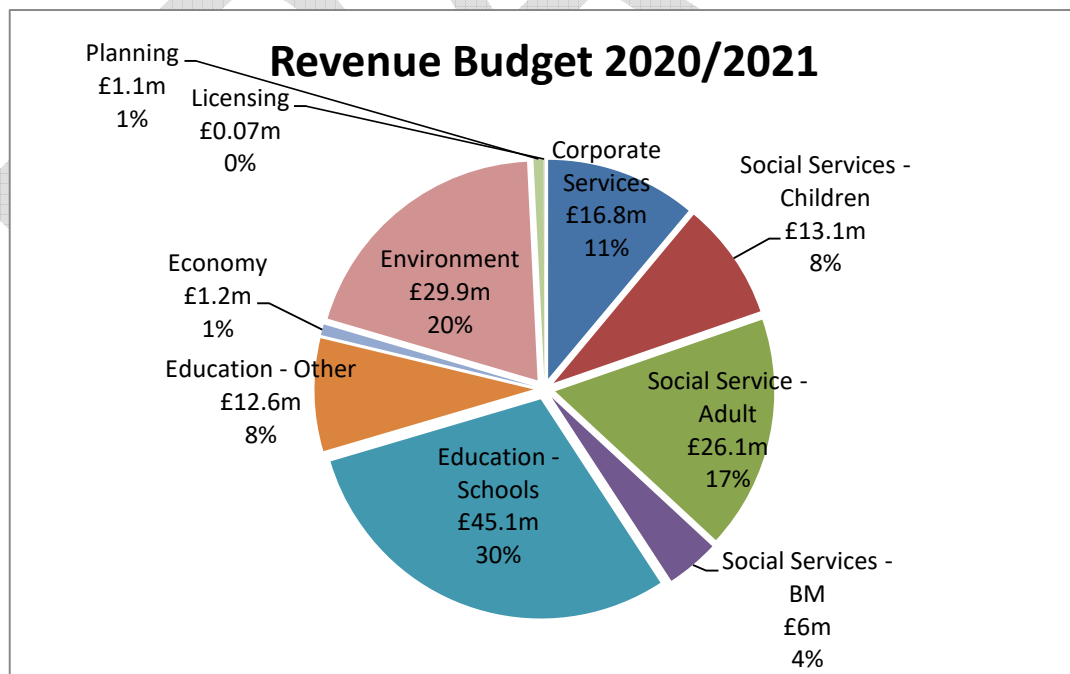
3.6 The baseline revenue funding the Council received in 2020/2021 from Welsh Government after allowing for transfers was 3.9% (£4.3m). The all Wales increase in the Local Government Settlement was 4.3%.

3.7 In setting the 2020/2021 budget, the Council agreed:-

- All grants transferring into the Settlement would be transferred to the relevant service
- Additional funding of £2m to be built into the budget, over and above pay and price inflation, to address existing and emerging cost pressures
- Bridging the Gap proposals of £1.4m
- A contribution to the General Reserve of £0.2m
- The creation and contribution to a specific reserve to support medium term financial planning - £1.5m
- Council Tax increase of 3.9%
- High level budget for 2021/2022.

3.8 For the current financial year, the Council agreed a net budget requirement of £151.7m. The budget allocation across Portfolios is shown in figure 2 below:

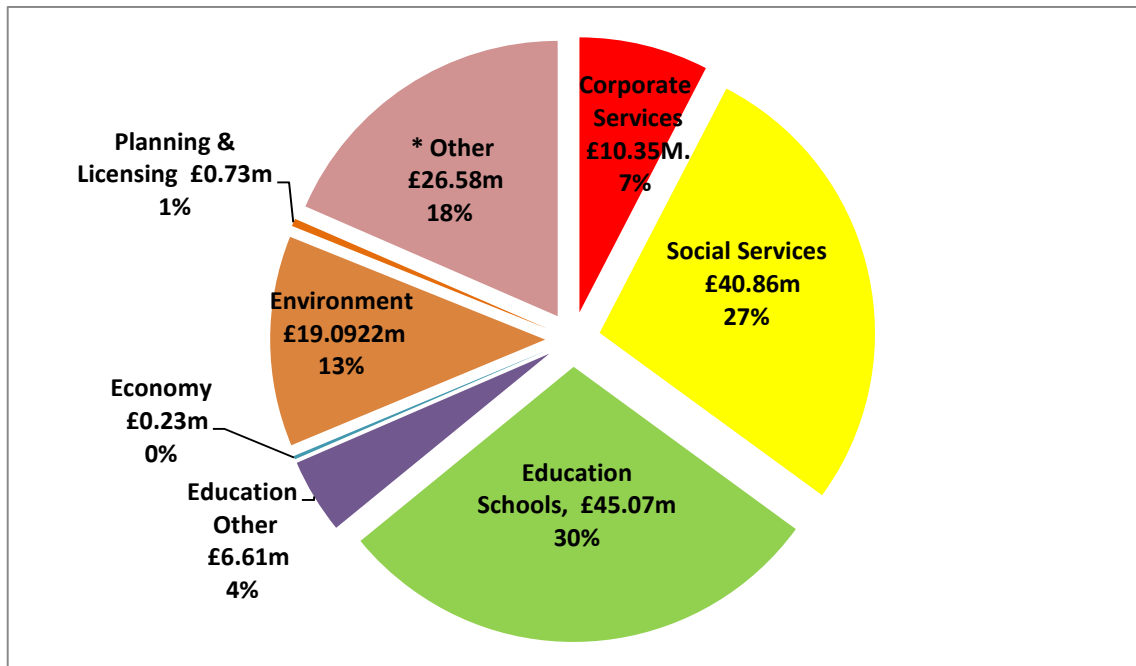
Figure 2: 2020/2021 Revenue Budget per Portfolio



3.9 The graph shown in figure 3 shows the direct costs of delivering services across portfolios.



Figure 3: 2020/2021 Direct Service Costs per Portfolio



\*Other includes:

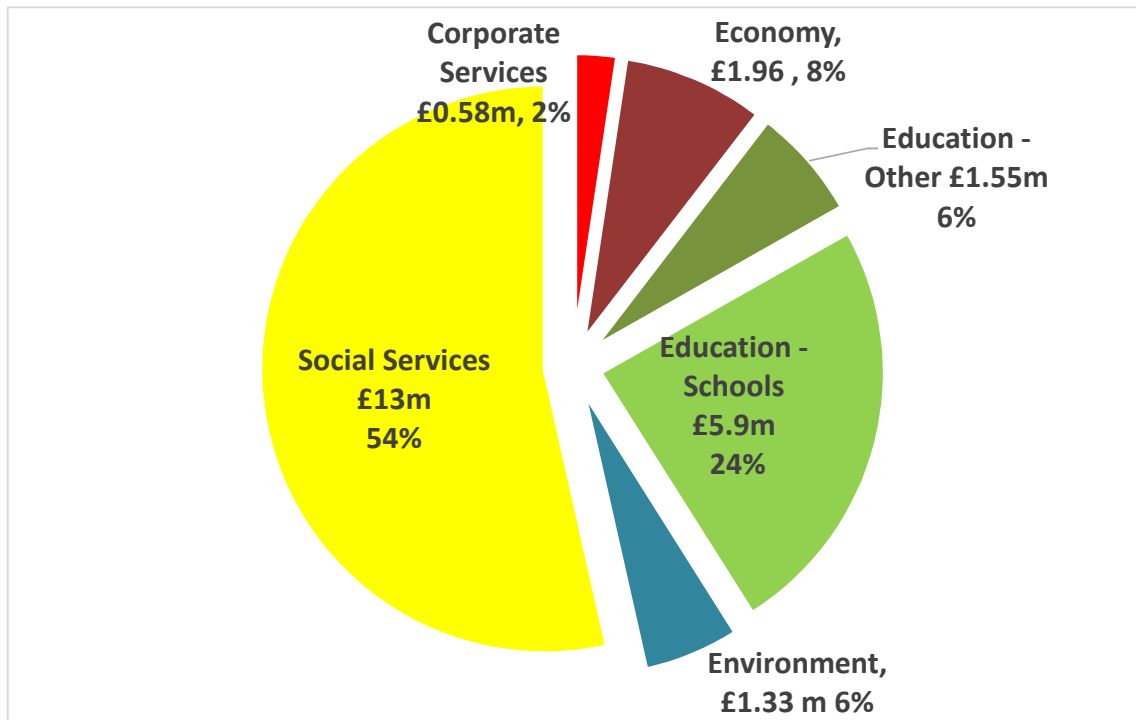
- Capital charges - £7.3m
- Fire & Apprenticeship Levy – £3.7m
- Council Tax Reduction Scheme - £9.3m
- IT, Administration Buildings & Insurance - £5.2m
- Other - £1m

3.10 In addition, to the agreed net budget, the Council spends a further £24m per annum to support the delivery of services. The Council receives specific revenue grant to fund this expenditure.

The assumption within the MTFS is that all grants will continue at the current level, and any reduction or termination of grant will be offset by a reduction in service expenditure.

3.11 Specific revenue grant allocations across Portfolios is shown in figure 4 below and it shows the current grant awards assumed for 2020/2021 as at 2019/2020 levels.

Figure 4: Specific Revenue Grant Funding Per Portfolio 2020/2021



- 3.12 During the first 6 months of 2020/2021, the global Covid-19 pandemic and the required response resulted in significant additional costs and loss of income across the public sector and beyond. The financial impact of Blaenau Gwent’s response has been additional costs in excess of £4m up to October 2020 and a reduction in expected income of £0.4m per quarter.
- 3.12 The Council (and business across the borough) have received significant financial support from Welsh Government to assist with these financial pressures:
- Hardship Funding of £3.1m (April to September 2020)
  - Income loss funding for quarter 1 - £0.78m
  - CTRS funding for April to September - £0.18m
  - Job Retention Scheme funding for the period March to July of £0.33m
  - Business Grants funding £18.3m (up to 24 November 2020)
  - Test, Track and Protect – funding of £0.9m (up to March 2021) via Public Health Wales

Central Government has announced a further £260m financial assistance for Welsh Local Government to March 2021 to support additional Covid-19 related expenditure and lost income. However,

there remains uncertainty as to the full financial impact of the pandemic in the medium/long term with no guarantee of funding from WG after March 2021.

4. **Review and Update of the MTFS**

4.1 The MTFS must be regularly reviewed to ensure preparedness from a financial planning perspective. The review will include considering and updating assumptions used in the Strategy to reflect new / emerging information for example inflation, changing demographics, service demand and policy changes and more recently the ongoing financial impact of Covid-19 on service delivery.

4.2 The table below identifies the key assumptions included in the MTFS.

**Table 1: Key Financial Planning Assumptions**

<b>Financial Planning Key Assumptions</b>	
Pay	<p>Non-Teaching staff - The Chancellor of the Exchequer announced of a pay freeze for public sector workers, however pay is determined between the employers and Trade Unions (either nationally or locally). Therefore, being prudent, 2% has been assumed for 2021/2022.</p> <p>A pay award of 2% per annum for 2022/2023 onwards</p> <p>Teaching Staff:</p> <p>As non-teaching staff above for 2021/2022. A further 3% has been assumed for subsequent academic years.</p> <p>Incremental Pay Progression – the estimated cost of annual pay progression has been applied based on existing staffing</p> <p>Pension – Based on the actuarial revaluation in 2019/2020, LGPS employer pension contributions (non-teaching) will remain cash flat for 2021/2022 and a 1% per annum increase has been recommended and assumed for 2022/2023 onwards.</p>

	<p>Vacancy Factor of 1.5% has been built into staffing budgets to reflect the financial impact of staff turnover.</p>
<p>Price Inflation (Non Schools)</p>	<p>The Consumer Price Index (CPI) fell from an average 1.5% in March 2020 to 0.5% in May 2020 as a result of the Covid-19 pandemic. As restrictions have been eased, CPI increased to 1% from July 2020.</p> <p>Forecasts for the UK economy: A comparison of independent forecasts, suggests CPI to be:</p> <p>2021 – 1.5% 2022 onwards – 2.1%</p> <p>Given the uncertainty with Covid-19 and the impact of exiting the EU potentially without a trade deal, it is proposed to maintain the annual inflationary increase at 2%.</p> <p>Utilities – Based on forecasts provided by Crown Commercial Services for 2021/2022, energy prices are expected to decrease. However, to remain prudent, 2% per annum increase have been assumed.</p> <p>Income Inflation – Increase in discretionary fees and charges in line expenditure inflation above.</p> <p>Council Tax Reduction Scheme – This has been increased in line with the assumed increase in Council Tax of 4.0%.</p>
<p>Schools Growth (ISB)</p>	<p>No inflationary increase has been applied to the Individual Schools Budget (ISB), it is assumed to be cash flat for the term of the MTFs in line with the assumption for Welsh Government funding.</p> <p>Projected increases or decreases in pupil numbers will impact upon the ISB and based on September 2020 data collection and projecting the pupils through the year groups:</p>

	<table border="1"> <thead> <tr> <th></th> <th>Increase / (Decrease) in Pupils</th> <th>Financial Impact Increase / (Decrease) in Funding</th> </tr> </thead> <tbody> <tr> <td>2021/2022</td> <td>(81)</td> <td>(150,000)</td> </tr> <tr> <td>2022/2023</td> <td>(23)</td> <td>45,000 *</td> </tr> <tr> <td>2023/2024</td> <td>(83)</td> <td>(213,000)</td> </tr> <tr> <td>2024/2025</td> <td>15</td> <td>126,000</td> </tr> </tbody> </table> <p>*The increase in funding is due to a shift in pupils from Primary to Secondary and the Age Weighted Pupil Unit is higher for Secondary schools.</p>		Increase / (Decrease) in Pupils	Financial Impact Increase / (Decrease) in Funding	2021/2022	(81)	(150,000)	2022/2023	(23)	45,000 *	2023/2024	(83)	(213,000)	2024/2025	15	126,000
	Increase / (Decrease) in Pupils	Financial Impact Increase / (Decrease) in Funding														
2021/2022	(81)	(150,000)														
2022/2023	(23)	45,000 *														
2023/2024	(83)	(213,000)														
2024/2025	15	126,000														
Specific Grant Funding	<p>This has been assumed to remain at the 2019/2020 level (as identified on the Revenue Grants Register). It is assumed that any reduction in funding is offset by a reduction in expenditure.</p> <p>Hardship Funding – It has been assumed that Covid-19 related expenditure will continue to be funded by Welsh Government</p>															
Capital Financing	<p><b>Capital Financing</b> – Capital financing costs reflect the schemes within the current capital programme, with borrowing costs for future schemes funded from either USB (Unhypothecated Supported Borrowing) or prudential borrowing. For 2022/2023, the MRP charge will increase to approximately £2.6m per annum from £0.75m in 2021/2022. However, this is still lower than the MRP charge under the previous policy of £3.8m.</p> <p>The revised MRP policy has enabled the MRP charges to be reduced by £15m during the period 2017/2018 to 2021/2022. The MRP figure is incorporated into the overall revenue budget through the Capital Adjustment. Taking into account the above, the forecast overall impact in the Capital Adjustment in 2022/2023, will be an increased cost of £1.8m per annum.</p>															
Council Tax	<ul style="list-style-type: none"> <li>• Council Tax increased by 3.9% in 2020/2021. For planning purposes, it has been assumed that Council Tax will increase by 4% per annum.</li> </ul>															

	<p>(1% increase will generate approximately £354,000 additional funding).</p> <ul style="list-style-type: none"> <li>• No additional funding has been assumed at this stage from an increase in the Council Tax Base for 2021/2022 onwards.</li> </ul>
Estimated Funding reduction (Aggregate External Funding)	<p>Welsh Government does not currently provide funding forecasts for future years. 2020/2021 saw an increase of 3.9% (£4.3m) in AEF (after allowing for transfers of grant into the settlement). Following a cash flat budget for 2019/2020.</p> <p>For planning purposes, a cash flat budget for Blaenau Gwent has been assumed for the next 5 years.</p>
Reserves	<p>The financial modelling assumes a minimum contribution to General or specific reserves of £200,000 per annum.</p>

#### 4.3 **Medium Term Financial Forecast**

- 4.4 The table below identifies the funding gap after applying the above assumptions to the 2020/2021 approved Estimates.

Table 2: Assessed Budget Gap

	<b>Medium Term Budget Gap</b>				
	<b>2021/2022 £'000</b>	<b>2022/2023 £'000</b>	<b>2023/2024 £'000</b>	<b>2024/2025 £'000</b>	<b>2025/2026 £'000</b>
<b>Draft Expenditure</b>					
Draft Estimates	152,740	157,940	161,120	160,730	162,380
Revenue Grants	24,350	24,350	24,350	24,350	24,350
Assumed Savings	0	(91)	(3,729)	(1,740)	(1,748)
<b>Adjusted Draft Budget</b>	<b>177,090</b>	<b>182,199</b>	<b>181,741</b>	<b>183,340</b>	<b>184,982</b>
<b>Draft Funding</b>					
AEF	116,063	116,063	116,063	116,063	116,063
Council Tax	36,786	38,257	39,788	41,379	43,034
Revenue Grants	24,350	24,350	24,350	24,350	24,350
<b>Total Draft Funding</b>	<b>177,199</b>	<b>178,670</b>	<b>180,201</b>	<b>181,792</b>	<b>183,447</b>
<b>Budget Gap</b>	<b>109</b>	<b>(3,529)</b>	<b>(1,540)</b>	<b>(1,548)</b>	<b>(1,535)</b>
Contribution to Reserves	(200)	(200)	(200)	(200)	(200)
<b>Adjusted Funding Gap</b>	<b>(91)</b>	<b>(3,729)</b>	<b>(1,740)</b>	<b>(1,748)</b>	<b>(1,735)</b>

4.5 The table identifies a potential funding gap of £9m over the next 5 years should the Council continue to deliver services in their existing form and before considering cost pressures.

4.6 **Additional Costs Built into the MTFS**

4.7 The draft estimates have been prepared based on the approved 2020/2021 budget and increased in line with the assumptions included in Table 1, and these costs are detailed in the table below:

Table 3: Estimated Additional Costs Compared to 2019/20 Budget

	<b>2021/2022 £'000</b>	<b>2022/2023 £'000</b>	<b>2023/2024 £'000</b>	<b>2024/2025 £'000</b>	<b>2025/2026 £'000</b>
Pay and Pension Inflation	1,226	1,725	1,745	1,766	1,787
General Inflation –					
Third party Expenditure	1,295	1,320	1,346	1,373	1,400
Fees & Charges	(210)	(214)	(218)	(222)	(226)
Council Tax Reduction Scheme	370	385	400	416	433
Capital Charges	243	1,981	0	0	0

<b>TOTAL</b>	<b>2,924</b>	<b>5,197</b>	<b>3,273</b>	<b>3,333</b>	<b>3,394</b>
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#### 4.8 **New and Emerging Cost Pressures**

4.9 New and emerging Cost Pressures and Growth items have been assumed at £1m per annum for 2022/2023 onwards.

4.10 In identifying the Cost Pressures and Growth items for 2021/2022, consideration have been given to:

- Covid-19 and the potential additional / increased costs arising from the response to the pandemic
- The impact the pandemic has had on income generation and the achievement of the Bridging the Gap proposals
- Cost pressures identified as part of the 2020/2021 financial reporting within overspending portfolios
- Changes in demand for services
- New services/ responsibilities

#### 4.11 **Covid-19 Pandemic**

4.12 The Council has incurred additional expenditure of £4m for the period April to October 2020 in responding to the pandemic, the majority of which has been funded by the Welsh Government Hardship Fund. However, it is uncertain if these additional costs will continue to be required and there is no guarantee that WG will continue to fund these cost pressures passed March 2021 into 2021/2022.

4.13 As a result of the impact the pandemic has had on the economic environment, the Council has seen an increase of 4.5% in new applications for council tax support between March and October 2020. A cost pressure has been included on the Cost Pressure list split between:

- Covid-19 Pandemic Cost pressure of £350,000 (£29,000 per month) – this relates to the element of the cost pressure currently being funded by the hardship funding
- Existing Service Cost Pressure of £280,000.

4.14 The longer term impact of Covid-19 and exiting the EU without a Trade Deal, upon the wider economy of Blaenau Gwent, Wales and the UK remains uncertain with the risk that applicants will continue to increase following business contracting or failing. Unemployment in Wales increased to 4.6% (as at September 2020) - the largest



increase in joblessness in the UK and the end of the Job Retention Scheme in March 2021 may result in a further potential increase in unemployment.

- 4.15 There has been an impact on the fees & charges collected by the Council, the most significant being within the catering service relating to paid meals (£340,000 for the period April to June 2020). It has been assumed that income levels will return to normal levels of activity for 2021/2022 as services become fully operational, however a number of cost pressures have arisen in particular within the growth strategy areas of the Bridging the Gap proposals for 2020/2021 onwards.
- 4.16 2020/2021 Cost Pressures
- 4.17 Current in year cost pressures have been reviewed to assess the likely continuation into 2021/2022. An assessment has also been undertaken to evaluate the portfolios ability to mitigate cost pressures from within existing budgets e.g. budget realignment.
- 4.18 Service Demand
- 4.19 Education – The pupil population data is collected at the end of September. Any increase will require an increase in funding to the Individual School Budget. As identified in Table 1 – Key Planning Assumptions, pupil population has declined between September 2019 and September 2020 and the current forecast is that the pupil population will continue to reduce over the medium term. This will have an impact on school funding and the revenue support grant received from Welsh Government in future years.
- 4.20 Social Services (Adults) – Expenditure on Community Care increased by 7% (£1.4m) between 2018/2019 and 2019/2020, whilst the number of clients receiving services have been reducing. Between 2016/2017 and 2018/2019, the total clients receiving services reduced by 261 (9.9%). Despite this costs are continuing to increase and this can be attributed to:
- the annual increase in the minimum living wage (an increased by 11.4% between April 2018 and April 2020),
  - reduction in fees due to an increase in the capital limit for means testing
  - increased complexity of care.

The current level of specific grant funding received / forecast for Social Services (Intermediate Care Fund and Welsh Government Winter pressures funding), are assisting with the management of these increased costs within existing budgets.

- 4.21 Social Services Children's – The number of Children Looked After has reduced from 237 to 214, and the number of children in residential care has reduced from 18 to 13 (as at September 2020), this is as a result of the preventative services established over the last few years including the Supporting Change Team and the My Support Team.
- 4.22 The most significant cost pressure within Children's Services is the cost of legal fees, expenditure was £0.78m in 2019/2020, with a potential increase in 2020/2021 (costs incurred for April to September 2020 is £0.55m compared to £0.32m for the same period in 2019/2020).
- 4.23 These costs are currently being managed within the overall budget for the Social Services Portfolio.
- 4.24 Corporate Services - Shared Resource Services – The Council has recently agreed the Business Case with the SRS and Partners to move to a new data centre with additional revenue costs for the Council is estimated to be £11,000 per annum.
- 4.25 The ICT budget was established with an assumed contribution of £130,000 from reserves and an assumption that efficiencies could be identified over a period of time. However, cost reductions/efficiencies have not materialised to mitigate the reserve funding. Therefore, this has been included as a cost pressure.
- 4.26 Environment – Waste and Recycling Services – The financial impact of Covid-19 during the current financial year on waste and recycling services, due to the requirement to maintain social distancing requiring additional staffing and vehicles, the suspension of services (bulky waste collection) and loss of income from the sale of recyclate and trade waste has resulted in significant increased costs. The cost pressure has been mitigated through the Welsh Government Hardship fund for 2020/2021. The current MTFs assumes that Covid-19 related expenditure will continue to be funded by WG.

- 4.27 The cost pressures identified for 2021/2022 is attached at Appendix 1 and the table below shows the impact the non Covid cost pressures have on the funding gap.

**Table 4: Assessed Budget Gap including Cost Pressures**

	<b>Medium Term Budget Gap</b>				
	<b>2021/2022 £'000</b>	<b>2022/2023 £'000</b>	<b>2023/2024 £'000</b>	<b>2024/2025 £'000</b>	<b>2025/2026 £'000</b>
<b>Draft Expenditure</b>					
Draft Estimates	152,740	160,759	162,122	161,730	163,380
Revenue Grants	24,350	24,350	24,350	24,350	24,350
Assumed Savings	0	(2,910)	(4,729)	(2,742)	(2,746)
Cost Pressures	2,621	1,000	1,000	1,000	1,000
Growth	198	0	0	0	0
<b>Adjusted Draft Budget</b>	<b>179,909</b>	<b>183,199</b>	<b>182,743</b>	<b>184,338</b>	<b>185,984</b>
<b>Draft Funding</b>					
AEF	116,063	116,063	116,063	116,063	116,063
Council Tax	36,786	38,257	39,788	41,379	43,034
Revenue Grants	24,350	24,350	24,350	24,350	24,350
<b>Total Draft Funding</b>	<b>177,199</b>	<b>178,670</b>	<b>180,201</b>	<b>181,792</b>	<b>183,447</b>
<b>Budget Gap</b>	<b>(2,710)</b>	<b>(4,529)</b>	<b>(2,542)</b>	<b>(2,546)</b>	<b>(2,537)</b>
Contribution to Reserves	(200)	(200)	(200)	(200)	(200)
<b>Adjusted Funding Gap</b>	<b>(2,910)</b>	<b>(4,729)</b>	<b>(2,742)</b>	<b>(2,746)</b>	<b>(2,737)</b>

- 4.28 The potential funding gap increases to £16m over the next 5 years with the inclusion of cost pressures.
- 4.29 Cost pressures will be reviewed and updated to reflect new /emerging information for example the financial impact of Policy decisions and cost pressures emerging during the current financial year.
- 4.30 If the cost pressures identified as a result of the Covid-19 pandemic, estimated at £0.4m per month continue into 2021/2022, and Welsh Government are not in a position to provide financial support, this will impact on the funding gap.

#### 4.31 **Sensitivity Analysis**

4.32 The funding gap identified in table 4 (after allowing for cost pressures), is an indication of the financial challenge facing the Council. The assumptions used in the financial modelling may change over time. The following tables show the impact of changes on the Revenue Support Grant and potential decisions relating to Council Tax levels, pay & funding for Schools.

#### 4.33 **Revenue Support Grant (RSG)**

4.34 Table 5 below indicates the impact on the funding gap based on a range of scenarios for Welsh Government funding for 2021/2022 as compared to the 2020/2021 base position. (Note: a +/-1% change in WG funding equates to approximately £1.16m).

**Table 5: Impact of changes to RSG**

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Funding Gap - Cash Flat (as per MTFs)	<b>£2.9m</b>	<b>£4.7m</b>	<b>£2.7m</b>	<b>£2.7m</b>	<b>£2.7m</b>
<b>Impact on the Funding Gap, with a reduction of:</b>					
1%	£4.1m	£5.7m	£3.9m	£3.9m	£3.9m
1.5%	£4.7m	£6.4m	£4.4m	£4.4m	£4.4m
2%	£5.2m	£7m	£5m	£5m	£5m
2.5%	£5.8m	£7.6m	£5.6m	£5.6m	£5.6m
3%	£6.4m	£8.2m	£6.2m	£6.2m	£6.2m
<b>Impact on the Funding Gap, with an increase of:</b>					
1%	£1.7m	£3.5m	£1.5m	£1.5m	£1.5m
1.5%	£1.2m	£3m	£1m	£1m	£1m
2%	£0.6m	£2.4m	£0.4m	£0.4m	£0.4m
2.5%	(£0.0m)	£1.8m	(£0.2m)	(£0.2m)	(£0.2m)
3%	(£0.5m)	£1.2m	(£0.8m)	(£0.8m)	(£0.8m)
(figures in brackets denotes a surplus)					

#### 4.35 **Council Tax**

4.36 The Council increased Council Tax in 2020/2021 by 3.9%. The Council Tax increase is assumed to be 4% each year through to 2025/2026 in the MTFs. The table below sets out the implications on the Council's resources on a range of scenarios on future changes:

**Table 6: Impact of changes to Council Tax Assumptions**

<b>Council Tax</b>	<b>2021/2022 £'000</b>	<b>2022/2023 £'000</b>	<b>2023/2024 £'000</b>	<b>2024/2025 £'000</b>	<b>2025/2026 £'000</b>
Increase in Council Tax Yield as per MTFs – 4% per annum	1,415	1,471	1,530	1,591	1,655
Increase in Council Tax Yield per year - 4%; 3.5%; 3%; 2.5% 2% (in respective years)	1,415	1,287	1,142	980	804
<b>Impact on Funding Gap - Increase</b>	<b>0</b>	<b>+184</b>	<b>+388</b>	<b>+611</b>	<b>+851</b>
3% increase per annum	1,061	1,093	1,126	1,160	1,194
<b>Impact on Funding Gap - Increase</b>	<b>+354</b>	<b>+378</b>	<b>+404</b>	<b>+431</b>	<b>+461</b>
6% increase per annum	2,122	2,250	2,385	2,528	2,671
<b>Impact on Funding Gap - Decrease</b>	<b>-707</b>	<b>-779</b>	<b>-855</b>	<b>-937</b>	<b>-1,016</b>

4.37 **Pay**

4.38 The MTFs provides for a pay award of 2% per annum totalling £1m for 2021/2022. A change in the assumption would impact as follows:

**Table 7: Impact of Changes to Pay Assumptions**

<b>Assumption Change</b>	<b>+/- £'000</b>
0.5%	250
0.75%	375
1.0%	500
2% (Pay freeze)	1,000

4.39 **Individual School Budgets (ISB)**

4.40 The MTFs assumes no inflationary increase to the ISB in line with the Welsh Government funding assumption of a cash flat budget. However, at September 2020, there has been an overall decrease in pupil demographics of 81 pupils when compared to September 2019, the will result in a reduction in the funding requirement of £150,000 and this has been included in the assessed funding gap in Table 2.

- 4.41 The 2020/2021 ISB budget is £45m. A change in the assumption would impact on the funding gap as follows:

Table 8: Impact of changes to ISB Assumptions

Assumption Change	+/- £'000
0.5%	225
1%	450
2.0%	900

## 5. **BRIDGING THE GAP PROGRAMME**

- 5.1 In recognising the challenges that the Council faces in the short, medium and long term, a programme of Strategic Business Reviews has been developed to deal with potential gaps between anticipated funding and expenditure that aims to build financial resilience. Based on strategic themes our Bridging the Gap programme will identify savings opportunities, potential cost avoidance and new revenue streams. Designed to support a balanced budget it is also focussed on creating the conditions of a commercially minded council. This includes seeking new revenue streams and ensuring resources are aligned to the strategic imperatives of the council. Following year on year funding reductions increasing costs and changes in demand, the Council needs to redesign and reshape services in order to reduce costs and maximise income. The approach has a particular emphasis on:

- Maximising the potential of income generation and taking a clearly commercial approach where it is appropriate to do so;
- Re-procurement and re-negotiation of contracts;
- Exploiting the opportunity that digital transformation can provide;
- Making best use of our assets and property;
- Considering what action we can take to influence and reduce demand;
- Looking for opportunities to support residents to do more for themselves;
- Exploiting the opportunities to strengthen financial resilience by supporting growth in the borough

- 5.2 We will continue to ensure we have secured all efficiencies and are practicing robust 'housekeeping' throughout plus seeking potential to work differently through partnership and collaboration.
- 5.3 In setting the budget for 2020/2021, £1.4m was identified through the strategic business reviews and this was set aside in a specific reserve to support medium term financial planning.
- 5.4 Appendix 2 provides a summary of the current Strategic Business Reviews, an update on progress and the latest assessment of the estimated financial achievement for 2021/2022 to 2024/2025.
- 5.5 The Council's income generation ability has been impacted by the Covid-19 pandemic. The current assessment of the range of savings that could be delivered between 2021/2022 and 2024/2025 is between £4.4m and £7.2m, and the impact on the funding gap (after allowing for cost pressures) is shown in the table below.

**Table 9: Assessed Budget Gap and the Impact of Bridging the Gap**

	<b>Medium Term Budget Gap</b>				
	<b>2021/2022 £'000</b>	<b>2022/2023 £'000</b>	<b>2023/2024 £'000</b>	<b>2024/2025 £'000</b>	<b>2025/2026 £'000</b>
<b>Adjusted Funding Gap (with Cost pressures)</b>	<b>(2,910)</b>	<b>(4,729)</b>	<b>(2,742)</b>	<b>(2,746)</b>	<b>(2,737)</b>
<b>Low Estimated Achievement - BtG</b>	<b>500</b>	<b>1,173</b>	<b>864</b>	<b>946</b>	<b>946</b>
<b>Adjusted Funding Gap</b>	<b>(2,410)</b>	<b>(3,556)</b>	<b>(1,878)</b>	<b>(1,800)</b>	<b>(1,800)</b>
<b>High Estimated Achievement - BtG</b>	<b>1,000</b>	<b>1,733</b>	<b>1,414</b>	<b>1,546</b>	<b>1,546</b>
<b>Adjusted Funding Gap</b>	<b>(1,910)</b>	<b>(2,996)</b>	<b>(1,328)</b>	<b>(1,200)</b>	<b>(1,200)</b>

- 5.6 As future opportunities are identified through these strategic business reviews the MTFs will be updated to reflect the impact on each financial year. Some of the reviews will inevitably take longer to have

an impact but will potentially yield higher returns in the latter years of this MTFS.

## 6. MTFS – SCHOOLS

6.1 For 2020/2021, the Individual Schools Budget received an uplift of 4.9%, and this was due to a number of specific grants transferring into the settlement to fund teachers’ pay award and the employers’ pension contribution (£1.075m), growth and cost pressures approved for an increase in the pupil population and the unfunded element of the teachers’ pay award (£1.16m).

6.2 The table below highlights the potential cost increases in relation to school expenditure, compared to assumed funding increases over the next 5 years, based on the assumptions identified in table 1 above.

Table 10: Potential Cost Increases for Schools

	2021/2022 £'000	2022/2023 £'000	2023/2024 £'000	2024/2025 £'000	2024/2025 £'000
<b>Expenditure</b>					
Pay increases	705	833	858	884	911
Pension Increase – APT&C	0	105	110	110	110
Inflation – non pay	199	203	207	211	215
Inflation – Utilities	46	48	50	52	54
<b>Total Expenditure Increase</b>	<b>950</b>	<b>1,189</b>	<b>1,225</b>	<b>1,257</b>	<b>1,290</b>
<b>Funding</b>					
Proposed Increase in ISB	0	0	0	0	0
Pupil Demographics	(150)	50	(213)	125	0
Additional RSG (Grants transferred)	0	0	0	0	0
<b>Total Funding Increase / (Reduction)</b>	<b>(150)</b>	<b>50</b>	<b>(213)</b>	<b>125</b>	<b>0</b>
<b>Funding Gap</b>	<b>(1,100)</b>	<b>(1,139)</b>	<b>(1,438)</b>	<b>(1,132)</b>	<b>(1,290)</b>

6.5 The table indicates that schools are potentially facing financial cost pressures of £1.2m per annum based on an annual cash flat budget for the ISB.



- 6.6 School Balances have been increasing over the last few years, with an overall increase of £271,000 when compared to 2018/2019 and £1m increase when compared to 2017/2018. An analysis across sectors is shown in the table below:

Table 11 – Actual School Balances (Surplus/ (Deficit))

<b>Phase</b>	<b>2016/2017 £'000</b>	<b>2017/2018 £'000</b>	<b>2018/2019 £'000</b>	<b>2019/2020 £'000 (Provisional)</b>
Secondary	325	189	285	336
All Through	128	(847)	(762)	(829)
Primary	552	857	1,285	1,604
Special	(35)	81	245	214
<b>TOTAL</b>	<b>970</b>	<b>280</b>	<b>1,054</b>	<b>1,325</b>

## 7. Reserves Strategy

- 7.1 Financial resilience is a Council priority and this includes ensuring that reserves are adequate to be able to respond to unexpected events, emerging need or unforeseen budget pressures.
- 7.2 General reserves are unallocated amounts that enable the Council to meet non-specific and/or unforeseen financial liabilities.
- 7.3 The Council's agreed protocol for the management of general reserves specifies a target level for general reserves of 4% of the last reported actual net revenue expenditure (as included in the Revenue Outturn return).
- 7.4 The provisional level of the general reserve at 31 March 2020 is £6.348m, an in-year increase during the year of £0.454m. This outturn position represents 4.69% of net revenue expenditure as reported for 2019/20, exceeding the target by 0.69%.
- 7.5 Earmarked reserves are held by the Council to meet potential future expenditure on specifically identified risks, liabilities and commitments.
- 7.6 The Council has an agreed protocol for the establishment, retention, management, review and reporting of earmarked reserves. In addition to the statutory requirements to consider the

adequacy of reserves when setting the budget and the extensive disclosures made in the Statement of Accounts, member scrutiny has been enhanced by the preparation of detailed quarterly monitoring reports. The Chief Officer Resources also holds regular meetings during the year to consider the ongoing requirement and value of earmarked reserves held.

- 7.7 The provisional level of earmarked reserves has declined from £21.437m at 1 April 2012 to £7.7m at 31 March 2020 (a reduction of £13.67m or 63.74%). This decrease in reserves highlights the application of sums for their intended purposes and to some extent the impact of reduced levels of funding for the Authority as a consequence of austerity.
- 7.8 In setting the 2020/2021 budget, a planned increase in reserves has been agreed with a £200,000 contribution to general reserves together with the establishment of a £1.5m earmarked reserve to support medium term financial planning.
- 7.9 It is the Council's intention to maintain the general reserves at a minimum level of 4% and increase the overall level of reserves over time to support the Council's financial resilience.
- 7.10 Given the current level of the General Reserve, it is not planned to utilise any of this reserve to balance the annual budget. The continuation of the inclusion of a budget contingency within the annual budget setting process is proposed of £200,000 per annum, to allow the replenishment of the Council's useable reserves.
- 7.11 This would result in an increase to reserves of £1m over the period of the MTFS.

## 8. **RISKS**

- 8.1 The Corporate Plan, MTFS and the Bridging the Gap programme are designed to complement each other. They provide the narrative that describes the outcomes we plan to deliver, the financial envelope we intend to work within, and our approach to deliver a balance budget in 2021/2022 and beyond whilst creating the conditions for improved financial resilience.
- 8.2 The risks identified with the Medium Term Financial Strategy are:

## 1. Covid-19 Pandemic

There is a risk that the pandemic will continue into the medium/long term, impacting on the delivery of Council services and budgets, and the risk that WG will not continue to provide additional funding into the medium term.

There continues to be a significant impact of the pandemic on the economic environment, on businesses and residents living in Blaenau Gwent:

- the highest proportion of employment (65%) is in “covid-19 at risk” business sectors including manufacturing and retail
- 7% of the working age population is claiming unemployment benefits and this is an increase of 3% since the start of the pandemic and remains above the welsh average.

## 2. Exiting the European Union

There is a risk of a slow-down in the UK economic growth arising from exiting the EU with or without a deal. The impact could include an increase in both costs and demand for services.

The impact on the wider economy will depend to a large extent on the precise terms of the withdrawal agreement, however, the impact of Covid-19 on businesses may result in them not being prepared for the withdrawal from the EU.

It is not considered necessary at this point in time to set aside financial resources in the MTFs to assist in such a scenario. However, this will need to be carefully monitored in the subsequent weeks/months.

## 3. Uncertainty around future WG Funding levels

The absence of any future year guidance on levels of likely settlement from WG.

## 4. MTFS Assumptions

The budget gap is based on a number of assumptions and any changes may have a significant impact on the funding gap.

The assumptions are reviewed and any potential changes monitored. Section 4.28 to 4.37 above models the impact on the funding gap for a range of scenarios.

#### 4. Achievement of Bridging the Gap proposals

The achievement of planned savings is monitored as part of the budget monitoring & reporting process. Corrective action is taken where adverse variances are identified.

#### 5. Grant Funding

The MTFSS assumes that grant funding remains constant. Any decrease in funding or the termination of grant programmes could have a significant impact for the Council, particularly for those grants that are supporting service provision such as Families First, Flying Start, and ICF etc.

The Society of Welsh Treasurers works closely with the WLGA and Welsh Government to ensure that grants are maintained or transferred into the settlement.

Where grants are reduced, Services will need to ensure that expenditure is reduced in line with the grant.

#### 6. Volume of Demand

Increased demand for services poses significant risks to planning and this will be monitored.

<b>Document History</b>			
<b>Author</b>	<b>Version</b>		<b>Date</b>
G. Taylor	Draft v1	CLT	15 October 2020
G. Taylor	Draft v2	CLT	05 November 2020

DRAFT

PORTFOLIO	SERVICE	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Comments
		£	£	£	£	£	
<b>EXISTING SERVICE COST PRESSURES</b>							
<b>Corporate Services</b>							
	ICT	160,000					
	Council Tax Reduction Scheme	280,000					Total forecast cost pressure is £650,000, of which £370,000 is included in the Covid-19 Pressures below.
		<b>440,000</b>	-	-	-	-	
<b>Social Services</b>							
	Legal Fees - Children's	350,000					
	Community Care - National Minimum Wage	380,000	400,000				To cover the increase in the Minimum Living Wage over & above inflation and non pay related cost increases.
		<b>730,000</b>	<b>400,000</b>	-	-	-	
<b>Education</b>							
	Home to School Transport	100,000					Increased number of pupils at Penycwm - impact on Transport
	Schools - Teachers Pay	495,420					Assumed Cash flat ISB
	Schools - Non Teaching Staff Payaward	209,333					Assumed Cash flat ISB
		<b>804,753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Environment</b>							
	Legionella Monitoring	50,000					One member of staff and software (Water quality Report)
	Corporate Landlord	60,000					Ongoing budget shortfall
	Environmental Health	24,000					End of collaboration with Torfaen CBC - remaining cost pressure. Delayed due to interim response to Covid-19, and will be considered as part of SMR2 in due course
	Cwmcrachen Utility Costs	22,000					Improved position compared to 19/20 Investigations into electricity consumption being carried out
	General Offices	23,000					Potential loss of rental income
		<b>179,000</b>	-	-	-	-	
<b>Economy</b>							
	Industrial Units	133,000					Reduced income opportunities due to economic uncertainty and increased income target (BtG Strategic Business Review). If target figure is further increased for 2021/2022 budgets, the adverse figure will increase significantly. Budget holder requests target figure for 2021/2022 to freeze.
		<b>133,000</b>	-	-	-	-	
<b>Planning</b>							

	Review of LDP	66,500	66,500				Delays to producing the new Local Development Plan due to Covid-19 and as a result the shortfall will fall over 2 financial years
		<b>66,500</b>	<b>66,500</b>	-	-	-	
<b>Licensing</b>	Fees & Charges	33,000					Cost pressure arising as a result of no increase being approved to the fees charged
		<b>33,000</b>	-	-	-	-	
<b>All Portfolios</b>	Cardiff City Deal	34,500					previous scheme is funded from insurance fund contributions. However, this funding source is no longer sustainable (22 years of repayments remaining, from 30 year PB loan)
	Highways Prudential Borrowing funding	200,000					
		<b>234,500</b>	-	-	-	-	
<b>TOTAL EXISTING COST PRESSURES</b>		<b>2,620,753</b>	<b>466,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	

#### GROWTH / NEW RESPONSIBILITIES

##### Corporate Services

SRS - New Data Facility	11,000			57,000			Business Case developed
Community Hubs	120,000						
	<b>131,000</b>	-	-	<b>57,000</b>	-		

##### Education

ALN Reform	100,000						statutory post currently grant funded
Pupil Population	(192,000)	45,000	(213,000)	126,000			
Pupil Population at Pen y Cwm	42,000						
	<b>(50,000)</b>	<b>45,000</b>	<b>(213,000)</b>	<b>126,000</b>	<b>0</b>		

##### Environment

Waste Wardens	67,000						Ongoing shortfall with management fee, usually covered by in year virements but this is no longer sustainable.
Waste Services - Transfer Station (Operated by Silent Valley)	50,000						
	<b>117,000</b>	-	-	-	-		

<b>SUB TOTAL GROWTH / NEW RESPONSIBILITIES</b>	<b>198,000</b>	<b>45,000</b>	<b>-213,000</b>	<b>183,000</b>	<b>0</b>	
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<b>TOTAL COST PRESSURES / GROWTH (BAU)</b>	<b>2,818,753</b>	<b>511,500</b>	<b>-213,000</b>	<b>183,000</b>	<b>0</b>	
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BAU - business as usual

#### Per Month

##### COVID-19 PANDEMIC COST PRESSURES

##### Corporate Services

CTRS	29,167						Based upon current claimant levels - full year impact £350,000
	<b>29,167</b>	-	-	-	-		

##### Social Services

Financial Support to Care providers	207,000						Based on the financial support provided by WG Hardship Fund for 2020/2021 (full year impact £2,484,000):
Residential Providers							Based on 132 placements - £50 per week is £344,000
Nursing Care							Based on 70 placements - £50 per week is £182,000
Supported Living							Based on 70 placements - £37 per week is £135,000

Domiciliary Care

Based on additional £1 per hour (68,650 hours claimed July to Sept 20) is £275,000

207,000

**Environment**

Additional Cleaning Costs 8,333  
 Loss of School Meal Income /  
 Increased costs for FSM 48,680  
 Waste Services 90,167

Schools / Corporate Buildings (£100,000 pa)  
 Based upon current monthly payments of  
 FSM annual impact = £585,000  
 Impact of Covid-19 (Annual)  
 - Additional Agency Staff £640,000  
 - Staff Overtime - £83,000  
 - Vehicles Hire & Fuel - £271,000  
 - Loss of Recyclate Income - £88,000

Trade Waste 3,000

Loss of income from business closures  
 due to COVID - full assessment of impact  
 is being undertaken (based upon 25%  
 reduction on full year budget).

Environmental Health - Capacity 12,280

Capacity issues? Impact of COVID which  
 may result in ongoing pressures - Annual  
 impact £148,000

Homelessness - Provision of  
 temporary accomodation 33,145

Currently funded by Covid Hardship grant,  
 potential to be cost pressure in 21/22, if  
 funding ends - Currently incurring monthly  
 costs of approx £19,000 for accomodation  
 plus Security costs of £14,000 = annual  
 cost £397,740

General Offices 1,083  
196,688

£13,000 pa

**Economy**

Industrial Units 12,417

Covid - calculated > loss of 25% of  
 forecasted income (2020/21) = £149K  
 Note. this figure would increase if there is a  
 requirement to reinstate the Business  
 Tenant Support Scheme in 2021/22 (rent  
 free and/or deferred rent options).

12,417

**All Portfolios**

Enhanced Infection Control

PPE/ Hand Sanitisers/ Wipes etc

**SUB TOTAL - COVID-19**

445,272



[Type here]

Strategic Business Reviews

**Strategic Business Reviews**

Review	Outcome Statement	Scope & Update		Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
		Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
<b><u>Maximising Income</u></b>												
<b>Industrial Portfolio</b>	Support a fairer sustainable economy and community	0	0	0	50	0	100	50	200			
<p><u>Scope of the Review:</u> To review the Council's Industrial Unit Portfolio to identify areas for improvement and opportunities for change to ensure the service operates to maximise income and income efficiency in our net income streams.</p> <p><u>Progress Update:</u> The Covid19 pandemic has disrupted much of the planned work although some prioritised work has continued. The majority of resources we have spent on responsive business support and preparation and administration of various grants that have been managed by the Business and Innovation and Finance Teams. This work has taken most of the available resource away from the planned work and channelled it into a response for businesses facing hardship during the pandemic.</p> <p>The consultant's report was received in the summer, during lockdown and an action plan is being reviewed by the internal officer group in line with the original aims, but taking into account the disruption being caused by the pandemic.</p> <p>The key to ensuring delivery is the recruitment of a Team Manager for the Industrial Portfolio. Three rounds of recruitment during the last six months has been unsuccessful, and could be to do with the pandemic and current market disruption. We will be going out for recruitment for one final time either before or after Christmas, if this round of recruitment is unsuccessful we will look at other options for delivery of the action plan.</p> <p>The reduction in income for this year and future years is tied up in the effects of the pandemic on business across the UK and the failure to recruit. It is anticipated that a number of businesses will close over the next 6</p>												

		<p>months and discussions with businesses on delayed payment arrangements on rental. We have not been able to fully quantify the numbers yet but we are currently estimating 25-30% of businesses closing completely or possibly downsizing out of our portfolio. It will take a while to market the vacated units back out to businesses and so this will represent another delay in achieving the current income budget.</p> <p><b>Work Completed</b></p> <p>One of the report actions was around prioritising improvements to those units that could not be let due to the buildings being unfit, but would attract a good income if they were improved. Work has started on this action with Roseheyworth South site being completed in March 2020.</p> <p>Further improvements will be started on other units once completion of the building surveying work which is being undertaken at the moment.</p> <p>Work has continued through the last six months on changing to more modern leases across the whole portfolio.</p>
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Review	Outcome Statement	Scope & Update	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
Commercial Waste	<p>Protect and enhance our environment and infrastructure to benefit our communities</p> <p>An ambitious and innovative Council delivering the quality services we know matter to our communities</p>	<p><u>Scope of Review:</u> To roll out a new Commercial Waste service borough wide. A capital bid was submitted to Welsh Government to purchase a new bespoke vehicle and receptacles. The bid was successful and secured £250,000 (Capital) for Blaenau Gwent's Commercial Waste Service. During the financial year 2019/2020, the Trade Waste Service will undergo a full revamp with an implementation date of 1<sup>st</sup> April 2020.</p> <p><u>Progress Update:</u> Due to Covid-19 the new Trade Waste Service has not been implemented in 2020/21 and therefore the estimated achievement target for 2020/2021 will not be met.</p> <p>The service is still waiting for the new bespoke vehicles to be delivered in order to roll out the service. In addition, the impact of the national and local lockdowns on local businesses has meant a suspension of collections from a large number of customers and a phased reintroduction of collections as regulations have allowed.</p> <p>The estimated achievement per year has been reviewed and it is anticipated that the earliest any growth in income can be achieved is for 2022/2023 financial year.</p>	0	0	23	23	64	64	96	96	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
Income Recovery	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review:</u> To review current income recovery activities to ensure best / efficient practices in place.</p> <p>Objectives of the review will be to ensure:-</p> <ul style="list-style-type: none"> <li>Income recovery policies are appropriate and include early intervention actions</li> <li>agreed Fees &amp; charges are implemented</li> <li>payment in advance of service delivery (where appropriate) thereby avoiding costs of issuing invoices</li> <li>easy access to various payment methods</li> <li>use of technology is maximised</li> </ul> <p><u>Progress Update:</u> During 2019/20 progress had been made in relation to reallocation of income to the more recent debt which increased the Council's in year collection rate and minimises the risk to debtors of further recovery action (provided agreed arrangements are complied with).</p> <p>In addition, colleagues from Revenues &amp; Benefits began trialling a project with Flying Start colleagues to engage residents at an earlier stage – the aim to help identify whether people struggling financially are accessing the benefits and support schemes available to them. Unfortunately, these activities have been suspended as a result of Covid 19.</p> <p>The pandemic has had a significant impact on income recovery levels during 2020/21 and potentially future years however the £54,000 included within the budget has been achieved by staffing reductions.</p>	0	0	0	0	0	0	0	0	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
<b>Fees and Charges</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review:</u> To review and develop an approach to the setting of fees and charges that reflects full cost recovery. With options to create stretch targets on those budget lines that over achieve.</p> <p><u>Progress Update:</u> The Fees &amp; Charges Register for 2020/2021 was agreed by Council in March 2020, which included increases in fees from cash flat to 5.5%. In a number of areas, income was exceeding the income target and stretched targets were applied. However, fees and charges have been significantly affected by Covid-19 as some services were temporarily suspended (bulky waste, day services, weddings etc). The financial impact on income loss for 2020/2021 is being mitigated by hardship funding from Welsh Government. However, it may take a longer period of time to return to normal income levels given the impact that the pandemic has had on the environment.</p> <p>The Fees &amp; Charges Register will be reviewed, updated and presented to Council alongside the Revenue budget setting process.</p> <p>We have secured Digital Transformation funding to develop our income recovery arrangements and this should assist with up front collection of any charges and help improve any cashflow or outstanding debt issues.</p>	0	100	100	100	100	100	100	100	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
Commercial activity, investment and new income	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review:</u> This strategic review will focus on identifying additional commercial opportunities to supplement the current activities of:</p> <ul style="list-style-type: none"> <li>• Fees and charges</li> <li>• Developing the Industrial Portfolio</li> <li>• Current income from traded or shared services</li> <li>• Property Investment inside the Borough and out of the Borough</li> <li>• Investment in energy and low carbon activities</li> <li>• Disposals or development of assets and property</li> </ul> <p>The review will include:</p> <ul style="list-style-type: none"> <li>• Service and baseline review of current commercial activities</li> <li>• Opportunities to charge for discretionary services</li> <li>• Opportunities for further traded or shared services.</li> </ul> <p><u>Progress on Update:</u> This is linked very strongly to other Strategic Business Reviews and has a focus on additional commercial opportunities. This has been significantly affected by the impact of COVID. There are a number of actions that will be reignited in 2021/22 including a review of all trading accounts to establish if our current traded services are operating in a commercial manner.</p>	0	0	50	50	50	50	50	50	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
<b>Maximising Resources</b>											
<b>Third party expenditure – commissioning, procurement and contract management</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review:</u> The Council holds a number of high value contracts with third party suppliers across all of its services. When re-procuring at the end of a contract all steps will be taken to ensure value for money is gained and savings achieved. Similarly during the life cycle of the contract, officer will attempt to make efficiencies where possible. Through a targeted approach to commissioning, procurement, contract and supplier management it is anticipated that savings can be identified.</p> <p><u>Progress on Update:</u> Significant in year focus has been on the renewal / re-negotiations of a number of the Council's corporate ICT contracts which have realised a combination of cost reductions, more advantageous payment terms and additional / enhanced functionalities being made available to system users.</p> <p>In year competitive tendering activities has resulted in reduced unit costs in areas such as provision of agency staffing and mobile telephony etc. Proactive contract management has avoided annual increases in several supply type arrangements including: MFD's, cleaning materials, confidential waste etc and has resulted in more commercially favourable payment terms inc. early settlement discounts and an increased use of purchase cards as the preferred method of payment.</p> <p>Officers will continue to review existing contracts to ensure compliance and commercial benefit and support client departments in their future scouring activities in an attempt to maximise economic and social benefits.</p>	250	550	250	550	250	550	250	550	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
Assets and Property	Support a fairer sustainable economy and community	<p><u>Scope of the Review:</u> The Council has a range of property assets that is maintains and has a cost pressure relating to its Corporate Landlord role. This review will undertake a strategic review of these assets to ascertain their value to the Council both in financial terms and what service value they afford. The aim of this strategic business review is to identify how best to maximise these assets to strengthen our balance sheet. It will consider the future use of the assets and identify those that may provide opportunities for development, commercialisation or sale. This review would include buildings and green spaces and will align with the growth strategy.</p> <p><u>Progress Update:</u></p> <ul style="list-style-type: none"> <li>• Cook and Arkwright commissioned to carry out a rates review on council owned property. A number of appeals have been submitted and if successful will reduce the Council's NNDR liability.</li> <li>• A programme of disposals of non operation buildings have been developed for 2020 to 2023 and it is anticipated that cost reductions will be achieved.</li> </ul>	50	100	150	210	0	0	0	0	



Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
<b><u>Maximising Enablers</u></b>											
<b>Customer Experience</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p>Scope of the Review: Better customer experience should lead to reduced cost for the Council. This Strategic Business Review will consider the most frequent customer contact issues and review the end to end experience from the customer view. Changes and improvements in those experiences will be developed to enable customer to resolve their issues seamlessly, enabling them to self-serve as much as possible to ensure our resources are deployed for those you cannot self-serve.</p> <p><u>Progress Update:</u> Covid-19 has delayed the deployment of full end to end process review.</p>	0	50	50	50	50	50	50	50	
<b>Work Place Transformation</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review:</u> Building on the first phase of work place transformation this strategic business review is design to:</p> <ul style="list-style-type: none"> <li>Identify cost savings in relation to ICT expenditure and contract management</li> <li>Review the print and telephony arrangements to reduce costs</li> <li>Implement a digital strategy to maximise the use of technology</li> <li>Realise the benefits of Office 365 and collaborative working tools and reduce duplication of other ICT solutions</li> <li>Enable remote working to release dependency on our building (linked to the assets and property Strategic Review)</li> </ul> <p>Develop our employee offer and become an employer of choice.</p> <p><u>Progress Update:</u> The impact of Office 365, a review of telephony, mail and other departmental budgets as a result of the change in working practices should realise the target.</p>	50	50	50	50	50	50	50	50	

Review	Outcome Statement	Scope	Estimated Achievement 2021/2022		Estimated Achievement 2022/2023		Estimated Achievement 2023/2024		Estimated Achievement 2024/2025		BRAG Status
			Low £000	High £000	Low £000	High £000	Low £000	High £000	Low £000	High £000	
<b>Growth &amp; Investment Strategy</b>	Support a fairer sustainable economy and community & Protect and enhance our environment and infrastructure to benefit our communities	<p><b>Scope of Review:</b> Our Growth Strategy describes our ambition for developing our Borough and creating new communities. This will involve a programme of housing development that will see an impact on our revenue streams through increase Council Tax. This will contribute to the MTFs and is a critical element of building strong communities.</p> <p><b>Progress Update:</b> Council approved the Removal of the Empty Property Discount Allowance which allows the authority to use discretionary powers to remove the level of council tax discount in respect of dwelling that were classified as long term empty properties. The removal of the discount increased the amount of council tax the Council are able to collect.</p> <p>House building within the borough has continued with a number of new dwellings now occupied. This will continue to increase the council tax base and increase council tax collection.</p>	150	150	300	300	100	100	100	100	
<b>Low Carbon</b>	Protect and enhance our environment and infrastructure to benefit our communities	<p>Develop a Low Carbon Plan which sets out an ambitious vision and targets for BG to become a Low Carbon Borough and supports the corporate objectives of being a more Efficient Council and Strong &amp; Environmentally Smart Communities;</p> <p>Scope should include:-</p> <ul style="list-style-type: none"> <li>Assessment of current carbon footprint to identify current good practice, gaps and opportunities to move towards being low carbon;</li> </ul>	0	0	200	350	200	350	200	350	

		<ul style="list-style-type: none"> <li>Identify Council operations which can make a significant contribution towards a low carbon target – property, fleet, digital, energy, schools, housing – and a more efficient council, this will include where investment is needed to achieve outcomes;</li> <li>Community and Partner engagement to achieve a ‘Whole Borough’ approach utilising (for example) Public Service Board, Town &amp; Community Councils, Youth Forum, Leisure Trust and other existing partnerships;</li> <li>Identify links to Regeneration Themes and projects taking place across the Region through CCRCD, Valleys Task Force and Tech Valleys;</li> </ul> <p><u>Progress Update:</u></p> <p>The Decarbonisation Plan 2020-2030 has been completed and presented to and approved by Council on 24 September 2020 and this Plan will be delivered through critical projects including:</p> <ul style="list-style-type: none"> <li>Strategic property Review</li> <li>Depot Review</li> <li>Future of Silent Valley</li> <li>Energy Prospectus</li> <li>Workplace Transformation</li> <li>Fleet Review</li> <li>Considering how the Council procures &amp; commission services</li> </ul> <p>There have been significant changes to the way the council operates due to Covid-19, one area is homeworking and the reduction in travel for commuting and business meetings. This is an example of how it is possible to reduce emissions without cutting delivery of services to the public.</p>										
<p><b>TOTAL ESTIMATED ACHIEVEMENT (@ November 2020)</b></p>					500	1,000	1,173	1,733	864	1,414	946	1,546

<u>Strategic Business Reviews</u>		
<b>Strategic Business Reviews</b>		
<b>Review</b>	<b>Corporate Priority</b>	<b>Scope</b>
<b>BRAG Status</b>		
<b><u>Maximising Resources</u></b>		
<b>Use of external grants</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of the Review</u> This strategic business review is concerned with the bidding, receipt and deployment of additional grant funding that is available to the council and its partners. It is estimated that the organisation receives approximately £22m additional funding to support our priorities. This review will explore how the grants are utilised across the council to deliver outcomes for our residents. It will also review our governance arrangements to increase transparency and a One Council approach to seeking and using this additional funding.</p> <p>This review will also consider the impact of the removal of these grants and the risk placed on core funding.</p> <p><u>Progress Update:</u> Phase1 focussed on a review of the CCG with the Head of Children services. The review was undertaken and a report presented to Corporate overview scrutiny. A CCG board and robust monitoring arrangements are in place. Phase 2 will focus on the ICF grant. An initial scoping exercise for the review has been done with an anticipated initial report on findings in early 2021. The review will include a focus on links to corporate priorities, impact and value for money, the allocation process and governance.</p>

<b><u>Managing Demand</u></b>		
<b>Prevention and early intervention services</b>	Social Services & Education	<p><u>Scope of Review</u> This review will focus on an evaluation of the long term impact of prevention and early intervention on reducing the requirement for high cost services and better outcomes for our most vulnerable residents.</p> <p><u>Progress Update:</u> In terms of Prevention and Early Intervention then there has been no progress given the impact the pandemic has had on both directorates and we will look to restart meetings in the future when we have the second wave of the virus under control.</p>
<b><u>Maximising Enablers</u></b>		
<b>Using data to deliver better services</b>	An ambitious and innovative Council delivering the quality services we know matter to our communities	<p><u>Scope of Review:</u> Becoming a 21<sup>st</sup> Century Council means using data and insight to drive decision making. This Strategic Business Review will identify opportunities for the sharing of data to design services and target our resources to deliver outcomes for our residents.</p> <p><u>Progress Update:</u> Data insight work has progressed with the main focus on supporting the response to CV19 Pandemic. In the initial phases this include supporting the locality teams and data analysis on shielding residents. An intelligence hub has been established with representation from across Directorates. Key data work streams to support the ongoing response are progressing including Learners; supporting public protection and required Data Cymru returns and community based data modelling including care homes and contact tracing. Data work on economic impact forecasting and modelling is also being undertaken.</p>
<b>Reducing demand by changing behaviours</b>		

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DRAFT

# Agenda Item 5

*Executive Committee and Council only*

Date signed off by the Monitoring Officer: 8.12.20

Date signed off by the Section 151 Officer: 8.12.20

**Committee: Special Council**

Date of Meeting: **17<sup>th</sup> December, 2020**

Report Subject: **Local Government and Elections (Wales) Bill:**

- **Corporate Joint Committees (CJCs); and**
- **Performance and Governance of Principal Councils**

Portfolio Holder: **Councillor N. Daniels, Leader of the Council/  
Executive Member for Corporate Services**

Report Submitted by: **Andrea Jones, Head of Legal and Corporate Compliance**  
**Bernadette Elias, Head of Governance and Partnerships**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	Executive CLT 2/12/20						17/12/20	Member Briefing 3/12/20

**1. Purpose of the Report**

1.1 The purpose of the report is to inform Members of the current two consultations being undertaken on the Local Government and Elections (Wales) Bill with regards to:

- Corporate Joint Committees (CJCs); and
- Part 6, Chapter 1 - Performance and Governance of Principal Councils.

1.2 The Local Government and Elections (Wales) Bill provides for the establishment of a new and reformed legislative framework for local government elections, democracy, governance and performance.

**2. Scope and Background**

2.1 The Local Government and Elections (Wales) Bill [the Bill] was introduced in 2019 and passed by the Senedd on 18th November 2020. It is anticipated the Bill will receive Royal Assent early in 2021.

2.2 The Bill is a substantial piece of legislation covering electoral reform, public participation, governance and performance and regional working.

2.3 The Bill replaces the current improvement duty for principal councils set out in the Local Government (Wales) Measure 2009. The new approach as set out in the Bill is designed to be a more streamlined, flexible, sector-led approach to performance, good governance and improvement. The intention is for councils to be proactive in considering how internal processes and procedures should change to enable more effective planning, delivery and decision-making to drive better outcomes.

## 2.4 **Timelines**

- Consultation Deadlines:
  - CJsCs – 4<sup>th</sup> January 2021
  - Performance and Governance – 3<sup>rd</sup> February 2021
- It is anticipated that the Bill will receive Royal Assent in January 2021
- CJC regulations will be introduced in the Senedd during February-April 2021, for commencement in the summer (and first meeting of CJsCs planned by end of September 2021)
- Remote attendance and related matters will be commenced from April 2021 (when the current emergency coronavirus meeting regulations end)
- Performance and governance arrangements will be commenced from April 2021 (with the final performance report from the 2009 Measure published by 31st October 2021)
- Most of the electoral reforms will be introduced in time for implementation at the 2022 local elections
- The power of general competence, public participation duties, panel performance assessments broadcasting of meetings and new councillor duties will apply from the 2022 local elections
- The first self-assessment reports will be prepared on the financial year 2021-22, and published early in the 2022-23 financial year

## 2.5 **Corporate Joint Committees (CJsCs)**

CJsCs have been the subject of debate with the Minister during the past 12 months. It is anticipated that CJC regulations will be introduced in the Senedd during February-April 2021, for commencement in the summer (and first meeting of CJsCs planned by end of September 2021).

## 2.6 **Corporate Joint Committee**

- Although called ‘Committees’, these are corporate bodies, described by the Minister as ‘part of the local government family’
- They are separate legal entities from their ‘constituent’ councils, similar to Combined Authorities or Fire and Rescue Authorities.

## 2.7 **Membership**

- The membership of CJsCs will be leaders.
- CJsCs can co-opt other members if they choose, either cabinet members or other partners. These could be voting or non-voting members.

## 2.8 **Voting**

- ‘one member one vote’ basis, however, once established, a CJC could adopt alternative voting procedures should they wish

## 2.9 **Functions**

- CJsCs will have functions relating to economic well-being, strategic planning (LDPs will remain with LAs) and transport.
- The economic wellbeing power is potentially wide-ranging and significant, but how far it is used will be determined by a CJC.
- The current city and growth deal strategic functions would be transferred to CJsCs.



- The Bill specifies that CJsCs will include only the 4 listed functions in the Bill (which are existing statutory or voluntary regional functions)
- CJsCs can voluntarily make a request to Ministers to add specific functions to a CJC. **A future Welsh Government could however add other functions to a CJC via future legislation**
- The Welsh Government has established regional bodies with statutory functions outside of the CJC framework e.g. Regional Partnership Boards and may establish statutory Regional Transport Authorities or regional Strategic Planning Panels.
- Although the current draft regulations allow a degree of regional flexibility, the Welsh Government could constrain or prescribe CJsCs through funding or policy instruments. They can provide funding in support of a function via CJsCs but specify that the funding must be spent in certain way or in line with WG priorities.

#### 2.10 **Sub-Committees**

- CJsCs can set-up sub-committees to lead on specific functions and could co-opt other members (cabinet members or co-optees).

#### 2.11 **Accountability**

- CJsCs will be accountable to their 'constituent' councils via their leaders
- Statutory decision-making powers over the specified functions will be vested in the CJsCs and therefore the leaders who make up the CJC
- Should one (or more) leader not support of a particular regional proposal, but was out-voted, the leader would be bound by collective responsibility and the regional proposals would be delivered for his/her authority area without his/her support and possibly without the support of the authority. He/she or the authority could not withdraw from the arrangements in such circumstances, as is the case currently.
- The regulations state that CJsCs must set up an overview and scrutiny committee. Scrutiny will be essential to ensure accountability back to authorities and wider councillors. Individual council scrutiny committees would be able to seek to scrutinise regional bodies as they do now.

#### 2.12 **Performance and Governance of Principal Councils**

The performance and governance provisions in the Bill are framed within the wider sustainable development duties of the Well-being of Future Generations (Wales) Act 2015, which sets out a legally binding common purpose for the public bodies subject to that Act to improve the social, economic, environmental and cultural well-being of Wales. It sets out seven well-being goals which these public bodies must work towards collectively and five ways of working to guide how public bodies should deliver

The draft guidance specifically addresses the following duties to be placed on principal councils:

#### 2.13 **Duty to keep performance under review**

The Bill requires a council to keep under review the extent to which it is fulfilling the 'performance requirements':

- exercising its functions effectively;
- using its resources economically, efficiently and effectively; and
- has effective governance in place for securing the above.

**2.14 Duty to consult on performance**

A council must consult a range of people at least once in each financial year about the extent to which the council is meeting the performance requirements. The statutory consultees are:

- local people;
- other persons carrying on a business in the council's area;
- the staff of the council; and
- every trade union which is recognised (within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (c. 92)) by the council.

**2.15 Duty to report on performance**

A council must produce a self-assessment report in respect of each financial year. The report must set out its conclusions on the extent to which it met the performance requirements during that year, and any actions it intends to take, or has already taken, to increase the extent to which it is meeting the performance requirements.

**2.16 Duty to arrange a panel assessment of performance**

A council must arrange for a panel to undertake an assessment, at least once during the period between two consecutive ordinary elections of councillors to the council, of the extent to which the council is meeting its performance requirements.

**2.17 Duty to respond to a panel performance assessment report**

A council must prepare a response to each panel performance assessment report, setting out the extent to which it accepts the conclusions in the report, the extent to which it intends to follow any recommendation in the report, and any actions the council intends to take to increase the extent to which it is meeting the performance requirements.

**2.18 Other Provisions**

There are other provisions within Part 6 of the Bill such as powers for the Auditor General for Wales to carry out special inspections of a council; powers for the Welsh Ministers to provide support and assistance to a council with a view to improving its performance; and powers for the Welsh Ministers to intervene in a council which is not, or may not be, meeting the performance requirements.

2.19 There is also a Socio-economic Duty, which will come into force on 31 March 2021. This duty will require principal councils, when taking strategic decisions such as 'deciding priorities and setting objectives', to consider how their decisions might help to reduce the inequalities associated with socio-economic disadvantage - driving better outcomes on people's lives and experiences through better decision making and further contributing towards our shared goal of becoming "a more equal Wales".

3. **Options for Recommendation**  
*To include Recommendation(s) / Endorsement by other groups, e.g. CMT/Committees/Other groups)*

3.1 **Option 1**

**CJCs**

The CJC Regulations have gone out to public consultation with a closing date of 4<sup>th</sup> January 2021. Following the all Member briefing session and discussions ongoing within the Region, the Council is currently collating consultation responses from Blaenau Gwent. (Copy to follow.)

**Performance and Governance**

Members provide comment to the Head of Governance and Partnerships and the Council will continue to work with the professional networks and WLGA and, based on these two approaches, construct a response for the February deadline.

Approve the approach as set out above for both the CJC and Performance and Governance Consultations.

3.2 **Option 2**

Suggest amendment to the proposals outlined above for the consultation responses.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

- 4.1 The Bill is framed within the requirements of the Well-being of Future Generations (Wales) Act including the wider sustainable development duties and the seven well-being goals which public bodies must work towards collectively and five ways of working to guide how public bodies should deliver.

5. **Implications Against Each Option**  
***Impact on Budget (short and long term impact)***

5.1.1 **Corporate Joint Committees (CJCs)**

- The Welsh Government has committed to providing support and funding for some aspects of the Bill's implementation, including recently announced £500,000 to support digital democracy and potential set-up costs to support Corporate Joint Committees.
- The Minister has also agreed to provide improvement support to authorities through the WLGA, for example in supporting new councillor duties, public participation duties, statutory self assessments and panel assessments.
- CJCs must set a budget each financial year to include the amounts required to exercise its functions, reserves and liabilities.

- The draft regulations provide outline arrangements and timescales for the determination of budgets. The proposed deadlines in the draft regulations will require further exploration to ensure that they align with council budget setting processes and timescales.
- The draft regulations state the CJC members (leaders) must unanimously agree a budget and that ‘constituent’ councils must pay a proportionate amount. If there is a disagreement on the proportionality of funding, Ministers have powers of direction.

#### 5.1.2 **Performance and Governance of Principal Councils**

There is a cost to a Local Authority for holding statutory peer assessments. The council is responsible for identifying panel assessors, commissioning the panel to undertake the assessment, and meeting any associated costs. At this time the actual costs are unknown.

#### 5.2 ***Risk including Mitigating Actions***

5.2.1 The Council will have a statutory responsibility to implement the relevant elements of the Act and will put the reputation of the Council at risk should these elements not be put in place.

#### 5.3 ***Legal***

5.3.1 Once approved for Royal Assent the Bill will become an Act and will have statutory powers which will be enacted by the Local Authority.

#### 5.4 ***Human Resources***

##### 5.4.1 **Corporate Joint Committees (CJCs)**

- CJCs must ‘appoint’ a Chief Executive, Chief Finance Officer, Monitoring Officer and Chief Governance Officer (however, these could be provided by a constituent authority, or seconded etc).
- During early discussions amongst officers, there have been differing views whether a CJC should appoint its own statutory officers (which may be comparatively limited roles given the scale of budgets and functions) or be provided by ‘constituent authorities’ given potential risks of conflict of interest, responsibility and workload.
- The RIA estimates a range between 1 day per week to 5 days per week for senior staff undertaking CJC duties.

##### 5.4.2 **Performance and Governance of Principal Councils**

It is anticipated that a peer assessment will require significant officer resource in order to facilitate the process.

#### 6. ***Supporting Evidence Performance Information and Data***

##### 6.1.1 **Corporate Joint Committees (CJCs)**

- Draft Regulations were published on Monday 12th October and have been issued for consultation (closing date of 4th January)

- There are 44 questions in the consultation (appendix 1), the Welsh Government has outlined that these are draft and would welcome input to ensure that regulations are shaped by local authorities to ensure that they reflect local/regional requirements.
- The consultation includes an overarching consultation document and draft regulations for each of proposed CJs for North Wales, Mid Wales, South East Wales and South West Wales.
- An additional set of 'Regulations of General Application' will be issued for consultation in the New Year. It is envisaged these will cover what existing legislation and wider statutory duties might apply to CJs, such as the sustainable development duty and Welsh Language Standards. Statutory guidance will also be produced

#### 6.1.2 **Performance and Governance of Principal Councils**

- There are 8 questions in the consultation (appendix 2).
- The responses received will determine how principal councils should exercise their performance and governance functions under the new regime.

### 6.2 ***Expected outcome for the public***

6.2.1 The Bill is a substantial piece of legislation covering electoral reform, public participation, governance and performance and regional working.

6.2.2 The new approach as set out in the Bill is designed to be a more streamlined, flexible, sector-led approach to performance, good governance and improvement. The intention is for councils to be proactive in considering how internal processes and procedures should change to enable more effective planning, delivery and decision-making to drive better outcomes.

### 6.3 ***Involvement (consultation, engagement, participation)***

#### 6.3.1 **Reforming public participation in local government**

- Duty to encourage local people to participate in local government (and to produce a strategy to that effect)
- Duty to make petition scheme (and repeal of community polls);
- Duty to broadcast certain meetings
- Greater flexibility around remote attendance of members

#### 6.3.2 **Duty to consult on performance**

- A council must consult a range of people at least once in each financial year about the extent to which the council is meeting the performance requirements. The statutory consultees are:
  - local people;
  - other persons carrying on a business in the council's area;
  - the staff of the council; and
  - every trade union which is recognised (within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992 (c. 92)) by the council.

#### 6.4 ***Thinking for the Long term (forward planning)***

6.4.1 The Bill is a substantial piece of legislation which looks to be implemented to support long term thinking and planning.

#### 6.5 ***Preventative focus***

6.5.1 The Bill looks for Council's to improve their performance and planning to support a preventative focus moving forward.

6.5.2 There is also a Socio-economic Duty, which will come into force on 31 March 2021. This duty will require principal councils, when taking strategic decisions such as 'deciding priorities and setting objectives', to consider how their decisions might help to reduce the inequalities associated with socio-economic disadvantage - driving better outcomes on people's lives and experiences though better decision making and further contributing towards our shared goal of becoming "a more equal Wales".

#### 6.6 ***Collaboration / partnership working***

##### 6.6.1 ***Collaborative Working***

- Powers for councils to initiate the establishment of Corporate Joint Committees (CJCs) covering any functions
- Powers for Ministers to establish CJCs covering the four functions of economic wellbeing, transport, strategic planning and school improvement

#### 6.7 ***Integration (across service areas)***

6.7.1 Service areas will work together to implement the requirements of the Bill.

#### 6.8 ***EqIA(screening and identifying if full impact assessment is needed)***

6.8.1 There should be no adverse impact to implementing the Act. The Council will work to ensure all persons are treated equally.

#### 7. ***Monitoring Arrangements***

*State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

7.1 The Consultation responses will be shared with Members before being submitted.

7.2 Implementation of the requirements will be in line with the deadlines as specified in the Bill information.

7.3 Aspects of the requirements will be reported through the democratic processes accordingly.

## **Background Documents /Electronic Links**

1. *Appendix 1 – CJC Consultation Questions*
2. *Appendix 2 – Performance and Governance Consultation Questions*

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## **Summary of consultation questions re CJC's**

### **Consultation Question One:**

- a) What are your views on CJs being subject to broadly the same powers and duties as principal councils?
- b) Do you agree that CJs should have broadly the same governance and administrative framework as a principal council provided that this is proportionate? Please give your reasons.
- c) Do you agree that members of CJs should have appropriate discretion on the detail of constitutional and operational arrangements? Please give your reasons.

### **Consultation Question Two:**

These CJC areas have been agreed by local government Leaders as the most appropriate to reflect the functions being given to CJs by these Establishment Regulations. Do you have any comments or observations on these CJC areas in relation to these functions or the future development of CJs?

### **Consultation Question Three:**

- a) Do you agree with the approach to the development of the regulations for CJs as outlined in this consultation? Please give your reasons.
- b) We have indicated throughout this document what may be included in the Regulations of General Application, subject to the outcome of this consultation. Whilst the Regulations of General Application are not the subject of this consultation, in order to inform their development we would welcome your views on anything else which should be covered?

### **Consultation Question Four:**

- a) Do you agree with the proposed approach to membership of CJs including co-opting of additional members? Please give your reasons.
- b) What are your views on the role proposed for National Park Authorities on CJs, as described above?

### **Consultation Question Five:**

- a) What are your views on the proposed approach of 'one member one vote' and the flexibility for CJs to adopt alternative voting procedures?
- b) What are your views on the proposed quorum for CJs?
- c) What are your views on the proposed approach to voting rights for co-opted members to a CJC?

### **Consultation Question Six:**

What are your views on CJs being able to co-opt other members and/or appoint people to sit on sub-committees?

### **Consultation Question Seven:**

- a) Do you agree that the approach to co-option of members would enable wider engagement of stakeholders in the work of a CJC?

b) What might be needed to support CJC members in the involvement and engagement of appropriate stakeholders in their work?

**Consultation Question Eight:**

a) Do you agree that members and staff of a CJC should be subject to a Code of Conduct and that the code should be similar to that of Principal Councils? Please give your reasons.

b) What are your views on the adoption of a Code of Conduct for co-opted members?

c) Should all co-opted members be covered by a code i.e. those with and without voting rights?

**Consultation Question Nine**

a) What are your views on the proposed approach for determining the budget requirements of a CJC?

b) What are your views on the timescales proposed (including for the first year) for determining budget requirements payable by the constituent principal councils?

**Consultation Question Ten**

a) Do you agree that CJsCs should be subject to the same requirements as principal councils in terms of accounting practices? Please give your reasons.

b) Do you agree that the detail of how a CJC is to manage its accounting practices should be included in the Regulations of General Application? If not what more would be needed in the Establishment Regulations?

**Consultation Question Eleven:**

What are your views on the proposed approach to staffing and workforce matters?

**Consultation Question Twelve:**

What are your views in relation to CJsCs being required to have or have access to statutory “executive officers”?

**Consultation Question Thirteen:**

Do you have any other views on provision for staffing or workforce matters within the establishment regulations?

**Consultation Question Fourteen:**

a) Is it clear what functions the CJsCs will exercise as a result of these establishment regulations? If not, why?

b) Do the establishment regulations need to say more on concurrence, if so what else is needed, or should that be left to local determination?

c) In your view are there any functions which might be appropriate to add to these CJsCs in the future? If yes, what?

**Consultation Question Fifteen:**

Do you think the regulations should provide for anything to be a decision reserved to the CJC rather than delegated to a sub-committee? If so what?

Consultation **Question Sixteen:**

What are your views on the approach to transfer of the exercise of functions to these CJs?

Consultation Question Seventeen:

What are your views on CJs being subject to wider public body duties as described above?

Consultation **Question Eighteen:**

a) The Welsh Government is keen to continue working closely with local government and others on the establishment and implementation of CJs. Do you have any views on how best we can achieve this?

b) In your view, what core requirements / components need to be in place to ensure a CJC is operational, and exercising its functions effectively?

c) In particular, what do you think needs to be in place prior to a CJC meeting for the first time, on the day of its first meeting and thereafter?

Consultation **Question Nineteen:**

a) Do you think it would be helpful for the Welsh Government to provide guidance on the establishment and operation of CJs?

b) Are there any particular areas which should be covered by the guidance?

Consultation **Question Twenty:**

a) How can the Welsh Government best support principal councils to establish CJs?

b) Are there areas the Welsh Government should prioritise for support?

c) Is there anything that CJs should/should not be doing that these Establishment Regulations do not currently provide for?

Consultation **Question Twenty One:**

a) Do you agree with our approach to, and assessment of, the likely impacts of the regulations? Please explain your response.

b) Do you have any additional/alternative data to help inform the final assessment of costs and benefits contained within the Regulatory Impact Assessment? If yes, please provide details.

Welsh Language Questions

Consultation **Question Twenty Two:**

a) We would like to know your views on the effects that establishment of CJs would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

b) What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Consultation **Question Twenty Three:**

Please also explain how you believe the proposed policy for the establishment of CJs could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language, and no adverse effects on opportunities for people to use the Welsh language and on treating the Welsh language no less favourably than the English language.

Consultation **Question Twenty Four:**

We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to report them:

Responses to consultations are likely to be made public, on the internet or in a report.

### **Performance and Governance Consultation Questions**

Does the draft guidance make it clear what is expected of principal councils as set out in the provisions of Part 6 of the Local Government and Elections (Wales) Bill in a way that can be understood by principal councils? If not, why not?

Does Chapter 2 of the guidance set out the performance requirements and the duty to keep performance under review sufficiently clearly? If not, what would you add or change?

Does Chapter 2 of the guidance explain how a council could meet the requirement to undertake self-assessment in order to fulfil its duties? If not, what would you add or change?

Does Chapter 3 of the guidance make the minimum requirements for principal councils to arrange and respond to a panel performance assessment clear, as well as provide sufficient flexibility for each council to determine its own approach? If not, what would you add or change?

Chapter 4 outlines the Auditor General for Wales' powers to carry out a special inspection, and the duties of principal councils and Welsh Ministers to respond to any recommendations.

Chapter 5 describes the powers and duties for both Welsh Ministers and councils in relation to supporting and assisting with improving performance; and powers for intervention by Welsh Ministers. Do Chapters 4 and 5 sufficiently describe and explain these powers? If not, what would you add or change?

We would like to know your views on the effects that the guidance would have on the Welsh language, specifically on opportunities for people to use Welsh and on treating the Welsh language no less favourably than English.

What effects do you think there would be? How could positive effects be increased, or negative effects be mitigated?

Please also explain how you believe the guidance could be formulated or changed so as to have positive effects or increased positive effects on opportunities for people to use the Welsh language, and on treating the Welsh language no less favourably than the English language, and ensure there are no adverse effects on opportunities for people to use the Welsh language.

We have asked a number of specific questions on the draft guidance. If you have any related issues which we have not specifically addressed, please use the consultation response form to express your views

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# Agenda Item 6

*Executive Committee and Council only*

Date signed off by the Monitoring Officer: N/A

Date signed off by the Section 151 Officer: N/A

Committee: **Special Council**

Date of Meeting: **17<sup>th</sup> December, 2020**

Report Subject: **Audit Committee Lay Member Appointment**

Portfolio Holder: **Councillor N. Daniels, Leader / Executive Member Corporate Services**

Report Submitted by: **Rhian Hayden – Chief Officer Resources**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	Yes for information	Yes					Yes	Audit Committee

<b>1.</b>	<b>Purpose of the Report</b>
1.1	The purpose of the report is to seek Council approval for the appointment of two new lay members to the Blaenau Gwent Audit Committee.
<b>2.</b>	<b>Scope and Background</b>
2.1	In order to comply with legislative requirements, Council is required to approve all new appointments to the Audit Committee.
2.2	The Local Government (Wales) Measure 2011 requires that at least one member of its Audit Committee is a lay Member (that is not a member of the local authority).
2.3	In October 2020, the serving Lay Member (and Chair of the Audit Committee), namely Mr P Williams, served notice of his intention to step down from the role. Therefore, the vacancy was advertised in anticipation of this departure to ensure that it was filled in time for further meetings of the Audit Committee in January 2021 onwards.  Interviews for this vacancy were held on 8 <sup>th</sup> December 2020
2.4	Two candidates were interviewed: <ul style="list-style-type: none"> <li>• Mr T. Edwards</li> <li>• Mr. M. Veale</li> </ul> <p>The selection panel, considered that both applicants met the criteria for selection, having complementary experience and skill sets. Given this the selection panel recommend that both candidates be appointed as Lay Members to the Audit Committee.</p>

2.5	It is proposed that the term of office will initially be until the Local Government elections in May 2022 and reviewed at that time.
3.	<b>Options for Recommendation</b>
3.1	<p><b>Option 1:</b> (Preferred option) Approve the appointment of both candidates outlined above to the Audit Committee.</p> <p><b>Option 2:</b> Do not appoint and re-advertise.</p>
4.	<p><b>Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan</b></p> <p>Establishment and maintenance of an Audit Committee is a statutory responsibility.</p>
5.	<p><b>Implications and risks against Each Option</b></p> <p>Option 1 is preferred as the Council is then taking positive steps to comply with legislative requirements. This would also mitigate against any risk of a lay member leaving the committee resulting in further meetings not taking place until a replacement is appointed.</p> <p>Option 2 would mean that the Council is non-compliant with current legislation and no meeting of the Audit Committee can take place until further steps are taken to recruit.</p> <p>The current daily fees for Audit Committee members, as determined by the Independent Remuneration Panel for Wales are:  Ordinary Members - £198 (4 hours &amp; over), £99 (up to 4 hours)  Chair - £256 (4 hours &amp; over), £128 (up to 4 hours)</p>
5.3	<p><b>Legal</b> The appointment aims to prevent the risk of non-compliance with statutory obligations. The appointment will ensure the Council complies with statutory requirements and guidance on Audit Committee membership.</p>
5.4	<p><b>Human Resources</b> N/A</p>
6.	<b>Supporting Evidence</b>
6.1	<p><b>Performance Information and Data</b> The changes are necessary to maintain an effective Audit Committee.</p>
6.2	<p><b>Expected outcome for the public</b> An effective Audit Committee that conforms with the requirements of the appropriate legislation and promotes confidence in effective democracy and accountability.</p>



6.3	<b><i>Involvement (consultation, engagement, participation)</i></b> The Audit Committee supports involvement as it provides an opportunity for challenge.
6.4	<b><i>Thinking for the long term (forward planning)</i></b> This will ensure the Council meets its current statutory obligations and plans for the longer term, providing stakeholders with assurance around its governance arrangements
6.5	<b><i>Preventative focus</i></b> The appointment will assist to prevent the risk of operating ultra vires (outside the law).
6.6	<b><i>Collaboration / partnership working</i></b> N/A
6.7	<b><i>Integration(across service areas)</i></b> N/A
6.8	<b><i>EqIA(screening and identifying if full impact assessment is needed)</i></b> N/A
7.	<b>Monitoring Arrangements</b> The Audit Committee is kept under review to ensure it complies with any changes in legislation and codes of practice. Any further amendments will be put before full Council for formal approval.
	<b>Background Documents /Electronic Links</b>

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