



monmouthshire
sir fynyw

MONMOUTHSHIRE COUNTY COUNCIL

BUDGET BOOK 2016/17

BUDGET 2016/17

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BUDGET 2016/17

SECTION 1

EXPLANATORY
NOTES

EXPLANATORY NOTES

Introduction

The budget is presented in accordance with the internal structure that mirrors the directorate structure set by Cabinet.

Within each portfolio within the budget book, the directorate budgets are split by division, the budgetary control for which rests initially with the respective Head of Service but ultimately with the respective Chief Officer.

The directorate budgets and their respective statements of service have been structured around the Best Value Accounting Code of Practice (BVACOP).

Further corporate portfolios are required by statute. These reside under the control of the Section 151 Officer of the Authority (Head of Finance - Strategic Leadership Team).

Standard Subjective Headings

The main items included in each standard subjective heading within revenue cost sections of the statements of service are as follows:

Employee Related

This group includes the cost of employee expenses, both direct and indirect, to the authority.

- Direct employee expenses - salaries, wages, national insurance and superannuation for all employees whether permanent or temporary
- Indirect employee expenses
- Contributions to employee-related provisions

Premises Related

This group includes expenses directly related to the running of premises and land:

- Repairs, alterations and maintenance of buildings
- Energy costs
- Rents
- Rates
- Water services
- Fixtures and fittings
- Apportionment of expenses of operational buildings
- Cleaning and domestic supplies
- Grounds maintenance costs
- Premises insurance
- Contributions to premises-related provisions

Standard Subjective Headings (continued)

Transport Related

This group includes all costs associated with the provision, hire or use of transport, including travelling allowances and home to school transport.

- Direct transport costs
- Recharges
- Contract hire and operating leases
- Public transport
- Transport insurance
- Contributions to transport-related provisions

Supplies and Services

This group includes all direct supplies and service expenses to the authority:

- Equipment, furniture and materials
- Catering
- Clothes, uniform and laundry
- Printing, stationery and general office expenses
- Services
- Communications and computing
- Expenses
- Grant Payments and subscriptions
- Private Finance Initiative and Public Private Partnership schemes
- Contributions to provisions

Agency & Contracted

Agency or contracted payments are payments to an external provider or an internal service delivery unit defined as a trading operation which is operating independently, in return for the provision of a service or a subdivision of service.

Where a service being paid relates to the type of expenditure, for example building repairs, cleaning or catering for clients, then the payment is recorded under the appropriate standard grouping for that type of expenditure. For example, Premises-Related Expenditure (repairs or cleaning) or Supplies and Services (catering).

This group includes all agency and contracted payments to:

- Independent units within the Council
- Joint authorities
- Other local authorities
- Health authorities
- Government departments
- Voluntary associations
- Other establishments
- Private contractors
- Other agencies

Standard Subjective Headings (continued)

Transfer Payments and the Individual Schools Budget

Transfer payments include the cost of payments to individuals for which no goods or services are received in return by the local authority. The individual schools budget relates to delegated budgets pass ported to schools.

This group includes transfer payments to individuals such as:

- School children and students
- Social services clients
- Housing benefits

Capital Financing

This provides the subjective analysis that will record the revenue impact of capital items in the service revenue accounts of the authority:

- Depreciation
- Loss on impairment of assets
- Amortisation of deferred charges
- Operating Lease Rentals

Income

This group includes all income received by the service from external users or by way of charges or recharges to internal users:

- Government grants
- Other grants reimbursements and contributions
- Customer and client receipts
- Interest
- Direct Recharges

Support Services

These are charges for services that support the provision of services to the public. The charges are apportioned or allocated to the service divisions which they support. Such charges are traditionally defined on the basis of service.

The following table provides some of the functions to demonstrate what could be defined as support services. This list is not meant to be exhaustive. Support services are distinguished from internal trading operations such as Property and Contract Services.

Functions:

- | | |
|------------------|-------------------|
| • Finance | • Payroll |
| • Creditors | • Accommodation |
| • Debtors | • Legal Services |
| • Audit Services | • Office Services |
| • Personnel | • Insurance |

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SECTION 2

RESERVES AND
BALANCES

Introduction

There are two types of reserves which might be described as either available to meet revenue, or, in some cases capital expenditure. These are the Council Fund Reserve or Earmarked Reserves.

Council Fund

The Council Fund is the accumulated revenue reserve of the Authority that has arisen from historic day to day receipts and payments. The balance on the Council Fund may be positive or negative. However, LAAP Bulletin 77 issued by CIPFA, that provides local authority finance directors with guidance on the establishment of local authority reserves and balances, indicates that it is the responsibility of the finance director to advise the Authority about the level of reserves that they should hold.

Earmarked Reserves

Earmarked reserves result from events that have allowed monies to be set aside, or surpluses or decisions that have caused anticipated expenditure to be postponed or cancelled. Reserves of this nature are available and can be spent or earmarked at the discretion of the Authority.

Earmarking of revenue reserves can be used to set aside available monies for major anticipated capital schemes for projects or service arrangements the authority may wish to carry out.

Other examples of earmarked reserves include business unit surpluses, service efficiency savings and contingent liabilities (where a provision is not required).

Provided below is a description of the principal earmarked reserves held by the Authority:

Invest to Redesign Reserve

To fund service redesign to either improve the service, generate income or reduce costs

I.T. Transformation Reserve

To invest in information technology in support of the organisations outcomes and generation of improved service efficiency, income generation or cost savings

Capital Investment Reserve

Created to accumulate contributions from revenue to finance future capital expenditure.

Priority Investment Reserve

To fund one off investment in the agreed priorities

Redundancy & Pension Reserve

To provide for the need to make commuted payments for early retirements and redundancies over a maximum period of five years but a recommended period of three years due to the low funding level of the Greater Gwent Fund.

Insurance & Risk Management Reserve

To assist in the management of the Council's insurance risks. To meet excesses and administration costs on claims against the Council, to provide cover on self-insured risks and contribute to risk management initiatives.

Treasury Equalisation Reserve

Originally created from rescheduling discounts and premia, intended for use under the concept of prudence to permit a long term view to be taken of treasury decisions.

Capital Receipt Generation Reserve

Securing capital receipts is a vital element of the Council's capital investment strategy. Improving the final disposal value by investment, either in the fabric of the asset or by proper disposal expertise ensures the Council obtains the best possible value for surplus assets. The reserve is used to finance the attributable costs of disposal of authority fixed assets that have struck against revenue, with reduced revenue contributions to capital being made from revenue in the years in which the respective capital receipts are realised and can be applied.

Single Status & Equal Pay Reserve

The implementation of single status job evaluation in 2007 was a mandatory requirement arising from the 2005 National pay settlement. The reserve is to cover any potential future costs as a result of the implementation of the Single Status Collective Agreement in Sept 2010 or any equal pay claims for which provision is not in place.

Other Reserves

These include a number of other reserves where separate classification is not deemed necessary due to the level of the reserve balance or its nature.

Restricted Use & Trading Reserves

Created from surpluses and deficits on the Authority's external and internal trading account activities and maintained to support and develop these services.

LMS School Balances

The amount of unspent budgets by authority maintained schools are also usable revenue reserves but have different characteristics to the other usable revenue reserves stated above.

The funds remain under the control of governors at the end of the financial year and are not available to the authority to apply to other purposes. They represent an earmarked reserve which is not available for the Authority to use generally.

Council Fund	At 1 April 2015 £000			In Year Movement £000	At 31 March 2016 £000		In Year Movement £000	At 31 March 2017 £000
General Revenue Account	8,131			0	8,131		0	8,131
of which:								
School Balances	1,140			0	1,140		0	1,140
Council Fund (Authority)	6,991			0	6,991		0	6,991
Earmarked Reserves	At 1 April 2015 £000	Budgeted Contribution to Reserves £000	Budgeted Contribution from Reserves £000	Budgeted Contribution to/from Reserves £000	Estimated Closing Balance 31 March 2016 £000	Estimated Contribution to Reserves £000	Estimated Contribution from Reserves £000	Estimated Closing Balance 31 March 2017 £000
Invest to Redesign Reserve	415	73	(277)	(205)	210	135	(63)	282
I.T. Transformation Reserve	219	0	0	0	219	0	0	219
Insurance and Risk Management Reserve	2,250	0	0	0	2,250	0	0	2,250
Capital Receipt Generation Reserve	227	0	0	0	227	0	0	227
Treasury Equalisation Reserve	990	0	0	0	990	0	0	990
Redundancy & Pension Reserve	275	0	(593)	(593)	(318)	0	(202)	(521)
Capital Investment Reserve	1,147	0	(504)	(504)	643	0	(14)	629
Priority Investment Reserve	565	0	(169)	(169)	396	0	0	396
Museums Acquisitions Reserve	60	0	0	0	60	0	0	60
Elections Reserve	108	25	(100)	(75)	33	25	0	58
Grass Routes Buses Reserve	140	5	0	5	145	5	0	150
	6,396	103	(1,642)	(1,540)	4,856	165	(279)	4,741
Restricted Use Reserves								
Chairman's Reserve	37	0	0	0	37	0	0	37
Youth Offending Team	382	0	0	0	382	0	0	382
Building Control Trading Reserve	0	0	0	0	0	0	0	0
Outdoor Education Centres Trading Reserve	190	0	0	0	190	0	0	190
iLearn Wales	49	0	0	0	49	0	0	49
	658	0	0	0	658	0	0	658
Total Useable Revenue Reserves	15,185	103	(1,642)	(1,540)	13,645	165	(279)	13,531

BUDGET 2016/17

SECTION 3

CONSOLIDATED REVENUE ACCOUNT
(GENERAL FUND)

SUMMARY

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Consolidated Revenue Account (General Fund) Summary

Statement of Service

Reference No.

Appropriation Section

CRA 1

Revenue Budgets for Interest and Investment Income, Interest Payable and Similar Charges, Contributions to/from Earmarked Reserves, Capital Expenditure financed from Revenue and the Charges required under Regulation.

Financing Section

CRA 2

Revenue budget income from General Government Grants, the Non-Domestic Rate Redistribution, Contributions to/from the General Fund and Council Tax

Budget Summary 2015/20

Subjective Classification	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's	Indicative Budget 2017/18 £000's	Indicative Budget 2018/19 £000's	Indicative Budget 2019/20 £000's
Directly Managed Costs						
Children & Young People	51,219	51,351	50,471	50,513	50,591	50,625
Social Care & Health	37,774	38,247	40,017	39,408	39,566	39,723
Enterprise	9,151	10,140	8,596	8,407	8,354	8,306
Operations	16,300	16,308	17,255	17,544	17,576	17,637
Chief Executive Management	7,282	7,003	6,811	6,807	6,844	6,882
Corporate Costs & Levies	18,466	18,216	19,796	21,175	21,891	22,319
Net Direct Total	140,192	141,265	142,946	143,855	144,822	145,493
Indirectly Managed Costs						
Children & Young People	5,759	5,756	6,313	6,313	6,313	6,314
Social Care & Health	2,992	2,992	3,054	3,054	3,055	3,055
Enterprise	357	687	107	107	108	107
Operations	3,900	3,781	18,250	18,250	18,250	18,250
Chief Executive Management	(1,065)	(1,275)	(1,634)	(1,634)	(1,634)	(1,634)
Corporate Costs & Levies	(1,217)	(1,217)	(1,218)	(1,219)	(1,221)	(1,221)
Net Indirect Total	10,725	10,725	24,873	24,872	24,872	24,871
Net Cost of Services	150,917	151,989	167,819	168,727	169,694	170,363
Appropriation Section						
Interest and Investment Income	(51)	(51)	(55)	(138)	(196)	(272)
Interest Payable & Similar Charges	3,656	3,662	3,490	3,670	3,835	3,825
Contributions to/from earmarked reserves	(1,144)	(3,926)	(1,540)	(115)	(25)	40
Capital expenditure financed from revenue	0	1,458	504	14	14	14
Charges required under Regulation	(5,115)	(4,949)	(21,518)	(19,513)	(19,352)	(19,370)
Attributable Costs - Fixed Asset Disposal	154	233	0	0	0	0
Amount to be met from government grants and local taxation	148,416	148,416	148,699	152,646	153,970	154,601
Financing Section						
General Government Grants	(67,642)	(67,642)	(63,567)	(60,834)	(58,218)	(55,714)
Non-Domestic Rate Redistribution	(26,737)	(26,737)	(27,981)	(26,777)	(25,626)	(24,524)
Contributions to/(from) General Fund	(40)	(40)	2	0	0	0
Council Tax	(53,997)	(53,997)	(57,153)	(59,910)	(62,801)	(65,843)
Shortfall / (Headroom) Budget	0	0	0	5,124	7,325	8,520

Budget Summary 2016/17

Sheet No:	Appropriation & Financing Service Area	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Appropriation Section			
CRA1 (a)	Interest and Investment Income	(51)	(51)	(55)
CRA1 (b)	Interest Payable and Similar Charges	3,656	3,662	3,490
CRA1 (c)	Contributions to/from earmarked reserves	(1,144)	(3,926)	(1,540)
CRA1 (d)	Capital Expenditure Financed from Revenue	0	1,458	504
CRA1 (e)	Charges required under Regulation	(5,115)	(4,949)	(21,518)
CRA1 (f)	Attributable Costs - Fixed Asset Disposal	154	233	0
	Appropriation Section Total	(2,501)	(3,573)	(19,119)
	Financing Section			
CRA2	General Government Grants	(67,642)	(67,642)	(63,567)
CRA2	Non-Domestic Rate Redistribution	(26,737)	(26,737)	(27,981)
CRA2	Council Tax - Monmouthshire County Council	(48,794)	(48,794)	(51,337)
CRA2	Council Tax - Gwent Police & Crime Commissioner Precept	(9,430)	(9,430)	(9,925)
CRA2	Council Tax - Community Councils Precept	(1,870)	(1,870)	(2,150)
CRA2	Council Tax - Reduction Scheme	6,097	6,097	6,258
CRA2	Contributions to/(from) General Fund	(40)	(40)	2
	Financing Total	(148,416)	(148,416)	(148,699)
	Total Appropriation and Financing Service Areas	(150,917)	(151,989)	(167,819)

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (a)

Appropriations Section

Interest and Investment Income

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Expenditure	0	0	0	0	0	0
Total Expenditure	0	0	0	0	0	0
Income						
Investment Portfolio Interest	0	0	0	0	0	0
Car Loan Interest	(3)	(3)	(2)	(2)	(2)	(2)
Cashflow Management Interest	(48)	(48)	(53)	(136)	(194)	(270)
Mortgage Interest	0	0	0	0	0	0
Total Income	(51)	(51)	(55)	(138)	(196)	(272)
Net Total	(51)	(51)	(55)	(138)	(196)	(272)
Budget Changes 2015/16 to 2016/17		(51)				
Virements		0				
Revised Budget 2015/16		(51)	(51)			
Variance			(4)			
Approved Budget 2016/17			(55)			

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (b)

Appropriations Section

Interest Payable & Similar Charges

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Expenditure</i>						
Interest on External Debt held by MCC	3,639	3,639	3,465	3,645	3,811	3,802
Interest on External Debt held by other LAs	0	0	0	0	0	0
Interest on LMS School Balances	8	8	8	8	8	8
Interest on Vehicle Acquisition Recharge	0	6	22	21	20	19
Interest on Charitable Trust Fund Balances	23	23	10	10	10	10
Amortised Premium on Redeemed Debt	0	0	0	0	0	0
<i>Total Expenditure</i>	3,670	3,676	3,504	3,684	3,849	3,839
<i>Income</i>						
3rd Party Debt Reimbursement	(14)	(14)	(14)	(14)	(14)	(14)
Amortised Discount on Redeemed Debt	0	0	0	0	0	0
<i>Total Income</i>	(14)	(14)	(14)	(14)	(14)	(14)
Net Total	3,656	3,662	3,490	3,670	3,835	3,825

Budget Changes 2015/16 to 2016/17	3,656	
Virements	6	
Revised Budget 2015/16	3,662	3,662
Variance		(172)
Approved Budget 2016/17		3,490

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (c)

Appropriations Section

Contributions to/from Earmarked Reserves

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Expenditure						
Contributions to Earmarked Reserves						
Elections Reserve	25	25	25	25	25	25
Grass Routes Buses Reserve	5	5	5	5	5	5
Capital Investment Reserve	0	16	0	0	0	0
Invest to Redesign Reserve	60	49	73	135	171	132
Total Expenditure	90	95	103	165	201	162
Income						
Contributions from Earmarked Reserves						
To Finance Revenue						
Redundancy & Pensions Reserve	(325)	(325)	(593)	(202)	(164)	(88)
Elections Reserve	0	0	(100)	0	0	0
Invest to Redesign Reserve	(348)	(698)	(210)	0	0	0
Priority Investment Reserve	(356)	(1,408)	(169)	0	0	0
Capital Receipt Generation Reserve	(154)	(233)	0	0	0	0
Grass Routes Buses Reserve	(26)	(26)	0	0	0	0
Invest to Save	(26)	(9)	(67)	(63)	(48)	(20)
IT Transformation Reserve	0	(73)	0	0	0	0
To Finance Capital						
Capital Receipt Generation Reserve	0	(250)	0	0	0	0
IT Transformation Reserve	0	(97)	0	0	0	0
Capital Investment Reserve	0	(490)	(504)	(14)	(14)	(14)
Invest to Redesign Reserve	0	(411)	0	0	0	0
Total Income	(1,235)	(4,021)	(1,642)	(279)	(226)	(122)
Net Total	(1,144)	(3,926)	(1,540)	(115)	(25)	40
Budget Changes 2015/16 to 2016/17						
	→	(1,144)				
Virements		(2,782)				
Revised Budget 2015/16		(3,926)	(3,926)			
Variance			2,386			
Approved Budget 2016/17			(1,540)			

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (d)

Appropriations Section

Capital Expenditure Financed from Revenue

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Expenditure						
Use of Earmarked Reserves Contributions						
To Finance Revenue						
Capital Receipt Generation Reserve	0	250	0	0	0	0
IT Transformation Reserve	0	97	0	0	0	0
Capital Investment Reserve	0	490	504	14	14	14
Invest to Redesign Reserve	0	411	0	0	0	0
To Finance Capital	0	210	0	0	0	0
Total Income	0	1,458	504	14	14	14
Net Total	0	1,458	504	14	14	14

Budget Changes 2015/16 to 2016/17	0	
Virements	1,458	
Revised Budget 2015/16	1,458	1,458
Variance		(955)
Approved Budget 2016/17		504

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (e)

Appropriations Section

Charges required under Regulation

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Expenditure						
Amortised Premium on Redeemed Debt	112	112	112	112	112	112
Minimum Revenue Provision (General Fund)	5,531	5,697	3,261	5,266	5,425	5,407
Amortisation of Government Grants Deferred	0	0	0	0	0	0
Total Expenditure	5,643	5,809	3,373	5,378	5,537	5,519
Income						
Renovation Grant Financing	0	0	0	0	0	0
Depreciation Charge Reversal	(10,725)	(10,725)	(24,874)	(24,874)	(24,871)	(24,871)
Amortised Discount on Redeemed Debt	(33)	(33)	(17)	(17)	(17)	(17)
Total Expenditure	(10,758)	(10,758)	(24,891)	(24,891)	(24,888)	(24,888)
Net Total	(5,115)	(4,949)	(21,518)	(19,513)	(19,352)	(19,370)
Budget Changes 2015/16 to 2016/17		(5,115)	(5,115)			
Virements		166				
Revised Budget 2015/16		(4,949)	(4,949)			
Variance			(16,569)			
Approved Budget 2016/17			(21,518)			

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 1 (f)

Appropriations Section

Attributable Costs - Capital Receipts Generation - Fixed Asset Disposal Costs

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Expenditure</i>						
Attributable Costs Fixed Asset Disposal - direct	154	233	0	0	0	0
<i>Total Expenditure</i>	154	233	0	0	0	0
Net Total	154	233	0	0	0	0
Budget Changes 2015/16 to 2016/17		154	154			
Virements		79				
Revised Budget 2015/16		233	233			
Variance			(233)			
Approved Budget 2016/17			0			

STATEMENT OF SERVICE 2015-20

Sheet No: CRA 2

Financing Section

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Income						
General Government Grants						
Revenue Support Grant	(66,819)	(66,819)	(63,567)	(60,834)	(58,218)	(55,714)
Improvement Agreement Grant	(822)	(822)	0	0	0	0
	(67,642)	(67,642)	(63,567)	(60,834)	(58,218)	(55,714)
Non-Domestic Rates Redistribution						
	(26,737)	(26,737)	(27,981)	(26,777)	(25,626)	(24,524)
Council Tax Incl. Precepts						
Monmouthshire County Council	(48,794)	(48,794)	(51,337)	(53,977)	(56,747)	(59,666)
Gwent Police & Crime Commissioner	(9,430)	(9,430)	(9,925)	(10,352)	(10,797)	(11,261)
Community Councils Precepts	(1,870)	(1,870)	(2,150)	(2,150)	(2,150)	(2,150)
Council Tax Reduction Scheme	6,097	6,097	6,258	6,568	6,893	7,234
Contribution (to) /from the General Fund						
	(40)	(40)	2	0	0	0
Total Income	(148,416)	(148,416)	(148,699)	(147,521)	(146,645)	(146,082)
Net Total	(148,416)	(148,416)	(148,699)	(147,521)	(146,645)	(146,082)
Budget Changes 2015/16 to 2016/17						
		(148,416)				
Virements		0				
Revised Budget 2015/16		(148,416)	(148,416)			
Variance			(283)			
Approved Budget 2016/17			(148,699)			

BUDGET 2016/17

SECTION 4

**CHILDREN & YOUNG PEOPLE
SERVICE**

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

Children & Young People Service Portfolio

Standards

CYP 1

Special Support Services, Pupil Support Services, School Improvement Service and Additional Learning Needs.

Resources

CYP 2

Management of the Children & Young People Directorate, School Admissions, finance function for Schools and Adult Education and Health and Safety.

Youth

CYP 3

Provision of services to the young people of Monmouthshire.

Individual Schools Budgets

CYP 4

The total of the funding delegated to School budgets for Teachers, Teaching Support Assistants, Administrative staff, Supplies and Services and other ancillary running costs.

Budget Summary 2016/17

Sheet No:	Children & Young People Service	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
CYP 1	Standards	5,449	5,434	5,066
CYP 2	Resources	1,406	1,402	1,508
CYP 3	Youth	597	597	600
CYP 4	Individual Schools Budgets	43,768	43,918	43,298
	Net Direct Total	51,219	51,351	50,471
	Indirectly Managed Costs			
CYP 1	Standards	245	245	209
CYP 2	Resources	461	461	535
CYP 3	Youth	193	193	209
CYP 4	Individual Schools Budgets	4,859	4,857	5,360
	Net Indirect Total	5,759	5,756	6,313
	Total Children & Young People Service Areas	56,978	57,107	56,784

STATEMENT OF SERVICE 2015-20

Service:

CHILDREN & YOUNG PEOPLE SERVICE BUDGET SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	3,279	3,267	3,321	3,364	3,443	3,477
Employee Related Other	918	904	918	918	918	918
Employee Related Savings	(5)	(5)	(20)	(20)	(20)	(21)
Premises Related	121	85	50	50	50	50
Transport Related	79	79	79	79	79	79
Supplies & Services	3,120	3,279	3,190	3,190	3,190	3,190
Agency & Contracted	51,426	51,394	50,773	50,773	50,773	50,773
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	58,939	59,003	58,312	58,355	58,433	58,467
Grant Income	(6,714)	(6,660)	(6,840)	(6,840)	(6,840)	(6,840)
Discretionary Fees & Charges	(16)	(3)	(3)	(3)	(3)	(3)
Other Income	(990)	(990)	(998)	(998)	(998)	(998)
<i>Total Direct Income</i>	(7,720)	(7,652)	(7,841)	(7,841)	(7,841)	(7,841)
<i>Net Direct Total</i>	51,219	51,351	50,471	50,513	50,591	50,625
<i>Indirectly Managed Costs</i>						
Accommodation Charges	59	59	46	46	46	46
Asset Rentals	4,419	4,419	4,419	4,419	4,419	4,419
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	326	326	521	521	521	521
Internal Insurance Premiums	135	135	136	136	136	136
Support Services Recharges	819	817	1,190	1,190	1,190	1,191
<i>Total Indirect Expenditure</i>	5,759	5,756	6,313	6,313	6,313	6,314
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	5,759	5,756	6,313	6,313	6,313	6,314
<i>Net Service Total</i>	56,978	57,107	56,784	56,827	56,905	56,939

STATEMENT OF SERVICE 2015-20

CYP 1

Service: Standards

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	1,199	1,195	1,254	1,276	1,306	1,320
Employee Related Other	22	23	23	23	23	23
Employee Related Savings	(5)	(5)	(14)	(14)	(14)	(14)
Premises Related	0	0	0	0	0	0
Transport Related	0	0	0	0	0	0
Supplies & Services	2,893	2,900	2,818	2,818	2,818	2,818
Agency & Contracted	4,279	4,207	4,061	4,061	4,061	4,061
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	8,390	8,321	8,141	8,164	8,194	8,207
Grant Income	(2,821)	(2,766)	(2,956)	(2,956)	(2,956)	(2,956)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(120)	(120)	(120)	(120)	(120)	(120)
<i>Total Direct Income</i>	(2,941)	(2,886)	(3,076)	(3,076)	(3,076)	(3,076)
<i>Net Direct Total</i>	5,449	5,434	5,066	5,088	5,118	5,131
<i>Indirectly Managed Costs</i>						
Accommodation Charges	20	20	16	16	16	16
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	1	1	11	11	11	11
Internal Insurance Premiums	52	52	0	0	0	0
Support Services Recharges	173	173	182	182	182	182
<i>Total Indirect Expenditure</i>	245	245	209	209	209	209
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	245	245	209	209	209	209
<i>Net Service Total</i>	5,694	5,680	5,275	5,297	5,327	5,340
Original Budget 2015/16	5,694					
Virements		(15)				
Revised Budget 2015/16		5,680	5,680			
Variance			(405)			
Approved Budget 2016/17			5,275			

STATEMENT OF SERVICE 2015-20

CYP 2

Service: **RESOURCES**

**CYP Management, School Admissions, Finance
and Health & safety**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	1,044	1,021	1,037	1,057	1,085	1,096
Employee Related Other	866	852	866	866	866	866
Employee Related Savings	0	0	(6)	(6)	(6)	(6)
Premises Related	35	35	0	0	0	0
Transport Related	55	55	55	55	55	55
Supplies & Services	164	258	310	310	310	310
Agency & Contracted	148	88	161	161	161	161
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	2,312	2,309	2,423	2,444	2,471	2,482
Grant Income	(37)	(37)	(38)	(38)	(38)	(38)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(870)	(870)	(878)	(878)	(878)	(878)
<i>Total Direct Income</i>	(906)	(906)	(916)	(916)	(916)	(916)
<i>Net Direct Total</i>	1,406	1,402	1,508	1,528	1,555	1,566
<i>Indirectly Managed Costs</i>						
Accommodation Charges	37	37	30	30	30	30
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	2	2	2	2
Internal Insurance Premiums	52	52	136	136	136	136
Support Services Recharges	371	371	367	367	367	367
<i>Total Indirect Expenditure</i>	461	461	535	535	535	535
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	461	461	535	535	535	535
Net Service Total	1,866	1,863	2,043	2,063	2,091	2,101
Original Budget 2015/16	1,866					
Virements		(3)				
Revised Budget 2015/16		1,863	1,863			
Variance			180			
Approved Budget 2016/17			2,043			

STATEMENT OF SERVICE 2015-20

CYP 3

Service: Youth

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Employee Related Pay	1,030	1,030	1,024	1,044	1,055	1,082
Employee Related Other	29	29	29	29	29	29
Employee Related Savings	0	0	0	0	0	0
Premises Related	47	47	47	47	47	47
Transport Related	24	24	24	24	24	24
Supplies & Services	58	58	59	59	59	59
Agency & Contracted	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	1,188	1,188	1,183	1,203	1,213	1,241
Grant Income	(591)	(591)	(583)	(583)	(583)	(583)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
Total Direct Income	(591)	(591)	(583)	(583)	(583)	(583)
Net Direct Total	597	597	600	620	631	658
Indirectly Managed Costs						
Accommodation Charges	0	0	0	0	0	0
Asset Rentals	8	8	8	8	8	8
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	11	11	16	16	16	16
Internal Insurance Premiums	1	1	0	0	0	0
Support Services Recharges	174	174	186	186	186	186
Total Indirect Expenditure	193	193	209	209	210	210
Indirect Income Recharges	0	0	0	0	0	0
Net Indirect Total	193	193	209	209	210	210
Net Service Total	790	790	809	830	840	868
Original Budget 2015/16		790				
Virements		0				
Revised Budget 2015/16		790	790			
Variance			19			
Approved Budget 2016/17			809			

STATEMENT OF SERVICE 2015-20

CYP 4

Service: Individual Schools Budgets

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	7	21	7	7	7	7
Employee Related Other	0	0	0	0	0	0
Employee Related Savings	0	0	0	0	0	0
Premises Related	40	4	4	4	4	4
Transport Related	0	0	0	0	0	0
Supplies & Services	4	63	3	3	3	3
Agency & Contracted	46,999	47,098	46,551	46,551	46,551	46,551
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	47,050	47,187	46,565	46,565	46,565	46,565
Grant Income	(3,266)	(3,266)	(3,264)	(3,264)	(3,264)	(3,264)
Discretionary Fees & Charges	(16)	(3)	(3)	(3)	(3)	(3)
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	(3,282)	(3,269)	(3,267)	(3,267)	(3,267)	(3,267)
<i>Net Direct Total</i>	43,768	43,918	43,298	43,298	43,298	43,298
<i>Indirectly Managed Costs</i>						
Accommodation Charges	2	2	0	0	0	0
Asset Rentals	4,412	4,412	4,412	4,412	4,412	4,412
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	314	314	493	493	493	493
Internal Insurance Premiums	30	30	0	0	0	0
Support Services Recharges	100	98	455	455	455	455
<i>Total Indirect Expenditure</i>	4,859	4,857	5,360	5,360	5,360	5,360
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	4,859	4,857	5,360	5,360	5,360	5,360
<i>Net Service Total</i>	48,627	48,774	48,657	48,657	48,657	48,657

Original Budget 2015/16	48,627	
Virements	148	
Revised Budget 2015/16	48,774	48,774
Variance		(117)
Approved Budget 2016/17		48,657

BUDGET 2016/17

SECTION 5

**SOCIAL CARE & HEALTH
SERVICE**

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

Social Care & Health Services Portfolio

Adult Services

SCH 1

Includes services to adults across the County, which seek to enable them to live as independently as possible. Services include Domiciliary care, Resource Centres, Community Meals, a range of Day Services, Corporate Costs, South East Wales Care Partnership, Individual Support Services and links with the Voluntary Sector. The service is focussing increasingly on re-ablement, specialist services (e.g. EMI) and forging new partnerships with the voluntary sector.

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Community Care

SCH 2

Includes a range of services to help adults live as independently as possible. Assessment and Care Management teams work closely with individuals and their families to assess needs and where necessary provide a package of care to meet those needs. This may include a range of domiciliary home care services and residential/nursing care and Aids & Adaptions . Also offer re-ablement services and support to people with physical, learning, sensory and mental disabilities. A further aspect of the role is ensuring that vulnerable adults are safeguarded via the multi-agency Protection of Vulnerable Adults procedures.

Partner

SCH 3

Partnership arrangements with other organisations such as Youth Offending

Children's Services

SCH 4

Services to help the most vulnerable children and families, including Child Protection, Children in Public Care, Home Finding, Youth Justice, Family Centres and Aids & Adaptations for disabled children.

Resources & Performance Management

SCH 5

Costs associated with supporting the Directorate. Services include IT, Finance, SWIFT and Performance Management.

Commissioning

SCH 6

The planning and commissioning do adult and children's health and social services for Aneurin Bevan Health Board (ABHB) Monmouthshire locality and Monmouthshire County Council

Budget Summary 2016/17

Sheet No:	Social Care & Health Services	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
SCH 1	Adult Services	7,066	6,382	6,925
SCH 2	Community Care	19,668	20,320	20,121
SCH 3	Partner	347	347	347
SCH 4	Children's Services	7,796	8,350	9,687
SCH 5	Resources and Performance Management	925	864	928
SCH 6	Commissioning	1,971	1,984	2,008
	Net Direct Total	37,774	38,247	40,017
	Indirectly Managed Costs			
SCH 1	Adult Services	1,467	1,374	1,366
SCH 2	Community Care	1,176	1,269	1,257
SCH 3	Partner	53	53	85
SCH 4	Children's Services	988	988	925
SCH 5	Resources and Performance Management	(946)	(946)	(839)
SCH 6	Commissioning	254	254	260
	Net Indirect Total	2,992	2,992	3,054
	Total Social Care & Health Service Areas	40,765	41,238	43,071

STATEMENT OF SERVICE 2015-20

Service:

SOCIAL CARE & HEALTH SERVICES BUDGET SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	15,953	16,175	16,385	16,383	16,547	16,711
Employee Related Other	373	371	533	533	533	533
Employee Related Savings	(319)	(319)	(322)	(328)	(335)	(342)
Premises Related	271	260	279	279	279	279
Transport Related	267	254	289	289	289	289
Supplies & Services	1,332	1,325	1,258	1,258	1,258	1,258
Agency & Contracted	28,195	28,444	29,431	28,831	28,831	28,831
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	46,073	46,509	47,853	47,245	47,402	47,559
Grant Income	(4,844)	(4,818)	(4,327)	(4,327)	(4,327)	(4,327)
Discretionary Fees & Charges	0	0	(288)	(288)	(288)	(288)
Other Income	(3,455)	(3,444)	(3,222)	(3,222)	(3,222)	(3,222)
<i>Total Direct Income</i>	(8,299)	(8,263)	(7,837)	(7,837)	(7,837)	(7,837)
<i>Net Direct Total</i>	37,774	38,247	40,017	39,408	39,566	39,723
<i>Indirectly Managed Costs</i>						
Accommodation Charges	196	196	157	157	157	157
Asset Rentals	238	238	238	238	238	238
Grounds Maintenance	19	19	18	18	18	18
Contract Cleaning	3	3	3	3	3	3
Building Maintenance	61	61	37	37	37	37
Internal Insurance Premiums	28	28	6	6	6	6
Support Services Recharges	3,602	3,602	3,714	3,714	3,714	3,714
<i>Total Indirect Expenditure</i>	4,148	4,148	4,172	4,172	4,173	4,173
Indirect Income Recharges	(1,156)	(1,156)	(1,118)	(1,118)	(1,118)	(1,118)
<i>Net Indirect Total</i>	2,992	2,992	3,054	3,054	3,055	3,055
<i>Net Service Total</i>	40,765	41,238	43,071	42,463	42,620	42,777

STATEMENT OF SERVICE 2015-20

SCH 1

Service: **Adult Services**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	6,931	6,766	6,911	6,980	7,050	7,120
Employee Related Other	110	110	110	110	110	110
Employee Related Savings	(139)	(134)	(136)	(139)	(142)	(145)
Premises Related	207	196	181	181	181	181
Transport Related	79	79	79	79	79	79
Supplies & Services	346	346	346	346	346	346
Agency & Contracted	721	145	146	146	146	146
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	8,256	7,508	7,638	7,704	7,771	7,839
Grant Income	(359)	(358)	(360)	(360)	(360)	(360)
Discretionary Fees & Charges	0	0	(288)	(288)	(288)	(288)
Other Income	(831)	(767)	(65)	(65)	(65)	(65)
<i>Total Direct Income</i>	(1,189)	(1,126)	(713)	(713)	(713)	(713)
<i>Net Direct Total</i>	7,066	6,382	6,925	6,992	7,059	7,126
<i>Indirectly Managed Costs</i>						
Accommodation Charges	29	29	24	24	24	24
Asset Rentals	238	198	198	198	198	198
Grounds Maintenance	15	15	14	14	14	14
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	59	59	28	28	28	28
Internal Insurance Premiums	22	21	5	5	5	5
Support Services Recharges	1,104	1,052	1,097	1,097	1,097	1,097
<i>Total Indirect Expenditure</i>	1,467	1,374	1,366	1,366	1,366	1,366
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	1,467	1,374	1,366	1,366	1,366	1,366
Net Service Total	8,533	7,756	8,291	8,357	8,424	8,492

Original Budget 2015/16	8,533
Virements	(777)
Revised Budget 2015/16	7,756
Variance	535
Approved Budget 2016/17	8,291

STATEMENT OF SERVICE 2015-20

SCH 2

Service: **Community Care**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	3,372	3,509	3,712	3,749	3,787	3,825
Employee Related Other	120	120	103	103	103	103
Employee Related Savings	(67)	(71)	(73)	(74)	(76)	(77)
Premises Related	0	0	0	0	0	0
Transport Related	0	28	28	28	28	28
Supplies & Services	28	28	28	28	28	28
Agency & Contracted	19,669	20,225	20,299	19,699	19,699	19,699
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	23,121	23,839	24,099	23,534	23,570	23,607
Grant Income	(842)	(842)	(821)	(821)	(821)	(821)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(2,611)	(2,677)	(3,157)	(3,157)	(3,157)	(3,157)
<i>Total Direct Income</i>	(3,453)	(3,519)	(3,977)	(3,977)	(3,977)	(3,977)
<i>Net Direct Total</i>	19,668	20,320	20,121	19,557	19,593	19,629
<i>Indirectly Managed Costs</i>						
Accommodation Charges	35	35	28	28	28	28
Asset Rentals	0	40	40	40	40	40
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	2	2	2	2
Internal Insurance Premiums	3	3	0	0	0	0
Support Services Recharges	1,139	1,191	1,188	1,188	1,188	1,188
<i>Total Indirect Expenditure</i>	1,176	1,269	1,257	1,257	1,257	1,257
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	1,176	1,269	1,257	1,257	1,257	1,257
<i>Net Service Total</i>	20,844	21,589	21,378	20,814	20,850	20,887

Original Budget 2015/16	20,844	
Virements	745	
Revised Budget 2015/16	21,589	21,589
Variance		(210)
Approved Budget 2016/17		21,378

STATEMENT OF SERVICE 2015-20

SCH 3

Service: Partner

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	1,258	1,258	1,283	1,296	1,309	1,322
Employee Related Other	20	20	47	47	47	47
Employee Related Savings	(25)	(25)	(26)	(26)	(27)	(27)
Premises Related	28	28	54	54	54	54
Transport Related	3	3	1	1	1	1
Supplies & Services	52	52	101	101	101	101
Agency & Contracted	63	63	(48)	(48)	(48)	(48)
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	1,398	1,398	1,412	1,424	1,437	1,449
Grant Income	(1,051)	(1,051)	(1,065)	(1,065)	(1,065)	(1,065)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	(1,051)	(1,051)	(1,065)	(1,065)	(1,065)	(1,065)
<i>Net Direct Total</i>	347	347	347	359	371	384
<i>Indirectly Managed Costs</i>						
Accommodation Charges	0	0	0	0	0	0
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	1	1	0	0	0	0
Support Services Recharges	52	52	85	85	85	85
<i>Total Indirect Expenditure</i>	53	53	85	85	85	85
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	53	53	85	85	85	85
<i>Net Service Total</i>	399	399	432	444	457	469

Original Budget 2015/16	→	399			
Virements		0			
Revised Budget 2015/16		399	399		
Variance			32		
Approved Budget 2016/17			432		

STATEMENT OF SERVICE 2015-20

SCH 4

Service: Children's Services

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	3,298	3,536	3,304	3,171	3,203	3,233
Employee Related Other	98	96	247	247	247	247
Employee Related Savings	(66)	(66)	(64)	(66)	(67)	(68)
Premises Related	32	32	39	39	39	39
Transport Related	10	10	6	6	6	6
Supplies & Services	597	679	640	640	640	640
Agency & Contracted	4,210	4,419	5,519	5,519	5,519	5,519
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	8,178	8,706	9,691	9,557	9,588	9,616
Grant Income	(381)	(356)	(4)	(4)	(4)	(4)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(1)	0	0	0	0	0
<i>Total Direct Income</i>	(382)	(356)	(4)	(4)	(4)	(4)
<i>Net Direct Total</i>	7,796	8,350	9,687	9,553	9,584	9,613
<i>Indirectly Managed Costs</i>						
Accommodation Charges	94	94	75	75	75	75
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	1	1	7	7	7	7
Internal Insurance Premiums	2	2	0	0	0	0
Support Services Recharges	891	891	843	843	843	843
<i>Total Indirect Expenditure</i>	988	988	925	925	925	925
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	988	988	925	925	925	925
Net Service Total	8,784	9,337	10,612	10,478	10,509	10,538

Original Budget 2015/16	→	8,784	
Virements		553	
Revised Budget 2015/16		9,337	9,337
Variance			1,275
Approved Budget 2016/17			10,612

STATEMENT OF SERVICE 2015-20

SCH 5

Service: **Resources & Performance Management**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	638	649	681	688	695	701
Employee Related Other	10	10	10	10	10	10
Employee Related Savings	(13)	(13)	(13)	(14)	(14)	(14)
Premises Related	0	0	0	0	0	0
Transport Related	156	115	156	156	156	156
Supplies & Services	72	72	32	32	32	32
Agency & Contracted	76	46	76	76	76	76
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	939	878	942	948	955	962
Grant Income	(14)	(14)	(14)	(14)	(14)	(14)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	(14)	(14)	(14)	(14)	(14)	(14)
<i>Net Direct Total</i>	925	864	928	935	941	948
<i>Indirectly Managed Costs</i>						
Accommodation Charges	22	22	18	18	18	18
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	5	5	4	4	4	4
Contract Cleaning	3	3	3	3	3	3
Building Maintenance	2	2	1	1	1	1
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	178	178	254	254	254	254
<i>Total Indirect Expenditure</i>	210	210	279	279	279	279
Indirect Income Recharges	(1,156)	(1,156)	(1,118)	(1,118)	(1,118)	(1,118)
<i>Net Indirect Total</i>	(946)	(946)	(839)	(839)	(839)	(839)
Net Service Total	(21)	(82)	89	96	103	109
Original Budget 2015/16		(21)				
Virements		(61)				
Revised Budget 2015/16		(82)	(82)			
Variance			171			
Approved Budget 2016/17			89			

STATEMENT OF SERVICE 2015-20

SCH 6

Service: Commissioning

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	457	457	495	500	505	510
Employee Related Other	15	15	15	15	15	15
Employee Related Savings	(9)	(9)	(9)	(10)	(10)	(10)
Premises Related	5	5	5	5	5	5
Transport Related	19	19	19	19	19	19
Supplies & Services	237	147	109	109	109	109
Agency & Contracted	3,456	3,546	3,438	3,438	3,438	3,438
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	4,180	4,180	4,072	4,077	4,082	4,087
Grant Income	(2,196)	(2,196)	(2,064)	(2,064)	(2,064)	(2,064)
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(13)	0	0	0	0	0
<i>Total Direct Income</i>	(2,210)	(2,196)	(2,064)	(2,064)	(2,064)	(2,064)
<i>Net Direct Total</i>	1,971	1,984	2,008	2,013	2,018	2,023
<i>Indirectly Managed Costs</i>						
Accommodation Charges	15	15	12	12	12	12
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	238	238	247	247	247	247
<i>Total Indirect Expenditure</i>	254	254	260	260	260	260
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	254	254	260	260	260	260
Net Service Total	2,225	2,238	2,268	2,273	2,278	2,283

Original Budget 2015/16	2,225
Virements	13
Revised Budget 2015/16	2,238
Variance	30
Approved Budget 2016/17	2,268

BUDGET 2016/17

SECTION 6

ENTERPRISE

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

ENTERPRISE PORTFOLIO

Commercial & People Development

ENT 1

Service aims - to 'serve' internal and external customers through the provision of an enterprise mind-set and skill-set. This enables investment in building the capacity needed for future public service delivery both in terms of creating a prosperous and growing economy and in relation to public servants with the behaviours and skills to deliver 21st century public services. The service contributes to the core purpose of 'sustainable and resilient communities' through a focus on a vibrant economy through the Business Growth and Enterprise Strategy and the Rural Development Plan; connecting people to performance through the People and Organisational Development Strategy and connecting the county and council through an ambitious digital strategy - County.

Tourism Life & Culture

ENT 2

Service aims – to provide high quality leisure, cultural and educational opportunities throughout Monmouthshire. We achieve this with the provision of a number of services – providing high quality leisure centres, sports development, outdoor education centres, museums, attractions, countryside and tourism services. We work with a range of partners to support local businesses (e.g. Tourism partnerships), community groups (sports clubs, village halls) countryside (National Resources Wales & AONB) and encourage inward investment through grants and other external funding. We support other providers to improve the outcomes for residents, visitors and workers in Monmouthshire.

Community Led Delivery

ENT 3

Service aims - to enable communities to build their own resilience and viability in order to avoid demand for council services. We achieve this principally through Whole Place planning and delivery (Whole Place Strategy) and providing opportunities for community ownership and empowerment. This is supported by a strategic approach to asset management (Strategic Asset Management Plan); integrated community service provision (Community Hubs) and enabling the appropriate quality, variety and affordability of housing (Housing Strategy).

Development Planning

ENT 4

Service aims - to provide and fulfil the Council's statutory land-use planning and development management functions. To produce the Local Development Plan in a sustainable way that passes the 'test of soundness' linked to the Single Integrated Plan and ensure a five year housing land supply.

Enterprise Management

ENT 5

Provision of Administration and Managerial support to the Enterprise Directorate.

Budget Summary 2016/17

Sheet No:	Enterprise	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
ENT 1	Commercial & People Development	3,903	4,031	3,398
ENT 2	Tourism Life & Culture	2,492	2,413	2,342
ENT 3	Community Led Delivery	1,922	2,388	1,512
ENT 4	Development Planning	436	911	935
ENT 5	Enterprise Management	397	397	409
	Net Direct Total	9,151	10,140	8,596
	Indirectly Managed Costs			
ENT 1	Commercial & People Development	(2,729)	(2,692)	(3,001)
ENT 2	Tourism Life & Culture	2,847	2,849	2,582
ENT 3	Community Led Delivery	555	555	644
ENT 4	Development Planning	79	370	291
ENT 5	Enterprise Management	(395)	(395)	(409)
	Net Indirect Total	357	687	107
	Total Enterprise Service Areas	9,508	10,827	8,703

STATEMENT OF SERVICE 2015-20

Service:

ENTERPRISE SERVICE AREA BUDGET SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	10,448	11,379	11,675	11,640	11,592	11,548
Employee Related Other	134	154	189	189	189	189
Employee Related Savings	(176)	(186)	(198)	(202)	(206)	(211)
Premises Related	1,616	1,637	1,465	1,465	1,465	1,465
Transport Related	116	38	114	114	114	114
Supplies & Services	2,915	3,880	2,503	2,453	2,453	2,453
Agency & Contracted	2,432	2,249	2,389	2,338	2,338	2,338
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	(38)	(38)	(38)	(38)	(38)
<i>Total Direct Expenditure</i>	17,485	19,112	18,097	17,958	17,905	17,857
Grant Income	(2,559)	(2,526)	(2,657)	(2,657)	(2,657)	(2,657)
Discretionary Fees & Charges	(3,729)	(6,055)	(6,651)	(6,701)	(6,701)	(6,701)
Other Income	(2,047)	(391)	(194)	(194)	(194)	(194)
<i>Total Direct Income</i>	(8,335)	(8,972)	(9,501)	(9,551)	(9,551)	(9,551)
<i>Net Direct Total</i>	9,151	10,140	8,596	8,407	8,354	8,306
<i>Indirectly Managed Costs</i>						
Accommodation Charges	225	299	228	228	228	228
Asset Rentals	3,334	3,334	2,718	2,718	2,718	2,718
Grounds Maintenance	342	342	324	324	324	324
Contract Cleaning	81	81	79	79	79	79
Building Maintenance	366	366	161	161	162	161
Internal Insurance Premiums	73	73	44	44	44	44
Support Services Recharges	3,150	3,362	3,295	3,295	3,295	3,295
<i>Total Indirect Expenditure</i>	7,570	7,857	6,849	6,849	6,850	6,849
Indirect Income Recharges	(7,213)	(7,170)	(6,742)	(6,742)	(6,742)	(6,742)
<i>Net Indirect Total</i>	357	687	107	107	108	107
<i>Net Service Total</i>	9,508	10,827	8,703	8,514	8,462	8,413

STATEMENT OF SERVICE 2015-20

ENT 1

Service: Commercial & People Development

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	1,725	1,731	1,853	1,831	1,850	1,868
Employee Related Other	37	36	74	74	74	74
Employee Related Savings	(31)	(30)	(6)	(6)	(6)	(6)
Premises Related	89	89	0	0	0	0
Transport Related	1	1	1	1	1	1
Supplies & Services	502	650	164	164	164	164
Agency & Contracted	2,077	2,051	1,977	1,926	1,926	1,926
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	4,401	4,528	4,063	3,990	4,008	4,027
Grant Income	(347)	(347)	(356)	(356)	(356)	(356)
Discretionary Fees & Charges	0	0	(166)	(166)	(166)	(166)
Other Income	(150)	(150)	(142)	(142)	(142)	(142)
Total Direct Income	(497)	(497)	(664)	(664)	(664)	(664)
Net Direct Total	3,903	4,031	3,398	3,326	3,344	3,363
<i>Indirectly Managed Costs</i>						
Accommodation Charges	91	91	64	64	64	64
Asset Rentals	603	603	603	603	603	603
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	1	1	3	3	3	3
Support Services Recharges	683	677	561	561	561	561
Total Indirect Expenditure	1,378	1,372	1,231	1,231	1,231	1,231
Indirect Income Recharges	(4,107)	(4,064)	(4,231)	(4,231)	(4,231)	(4,231)
Net Indirect Total	(2,729)	(2,692)	(3,001)	(3,001)	(3,001)	(3,001)
Net Service Total	1,174	1,339	398	325	344	362

Original Budget 2015/16	1,174
Virements	165
Revised Budget 2015/16	1,339
Variance	-941
Approved Budget 2016/17	398

STATEMENT OF SERVICE 2015-20

ENT 2

Service: **Tourism Life & Culture**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	4,942	4,960	5,098	5,038	4,924	4,813
Employee Related Other	49	61	41	41	41	41
Employee Related Savings	(103)	(95)	(100)	(102)	(104)	(106)
Premises Related	903	924	910	910	910	910
Transport Related	92	3	92	92	92	92
Supplies & Services	1,457	1,475	1,265	1,265	1,265	1,265
Agency & Contracted	221	187	253	253	253	253
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	7,561	7,515	7,559	7,497	7,381	7,268
Grant Income	(1,341)	(1,346)	(1,232)	(1,232)	(1,232)	(1,232)
Discretionary Fees & Charges	(3,729)	(3,747)	(3,985)	(4,035)	(4,035)	(4,035)
Other Income	0	(9)	0	0	0	0
<i>Total Direct Income</i>	(5,070)	(5,102)	(5,217)	(5,267)	(5,267)	(5,267)
<i>Net Direct Total</i>	2,492	2,413	2,342	2,230	2,113	2,001
<i>Indirectly Managed Costs</i>						
Accommodation Charges	81	81	62	62	62	62
Asset Rentals	1,314	1,314	1,314	1,314	1,314	1,314
Grounds Maintenance	14	14	14	14	14	14
Contract Cleaning	23	23	23	23	23	23
Building Maintenance	261	261	53	53	53	53
Internal Insurance Premiums	47	48	29	29	29	29
Support Services Recharges	1,106	1,108	1,086	1,086	1,086	1,086
<i>Total Indirect Expenditure</i>	2,847	2,849	2,582	2,582	2,582	2,582
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	2,847	2,849	2,582	2,582	2,582	2,582
Net Service Total	5,338	5,262	4,924	4,812	4,695	4,582

Original Budget 2015/16	→	5,338	
Virements		(76)	
Revised Budget 2015/16		5,262	5,262
Variance			(338)
Approved Budget 2016/17			4,924

STATEMENT OF SERVICE 2015-20

ENT 3

Service: **Community Led Delivery**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	3,169	3,176	3,110	3,141	3,172	3,204
Employee Related Other	41	40	60	60	60	60
Employee Related Savings	(32)	(32)	(61)	(63)	(64)	(65)
Premises Related	622	622	553	553	553	553
Transport Related	23	23	10	10	10	10
Supplies & Services	736	1,328	669	619	619	619
Agency & Contracted	129	7	162	162	162	162
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	(38)	(38)	(38)	(38)	(38)
<i>Total Direct Expenditure</i>	4,689	5,126	4,463	4,443	4,473	4,504
Grant Income	(871)	(833)	(1,068)	(1,068)	(1,068)	(1,068)
Discretionary Fees & Charges	0	(1,675)	(1,832)	(1,832)	(1,832)	(1,832)
Other Income	(1,896)	(231)	(51)	(51)	(51)	(51)
<i>Total Direct Income</i>	(2,766)	(2,738)	(2,951)	(2,951)	(2,951)	(2,951)
<i>Net Direct Total</i>	1,922	2,388	1,512	1,492	1,522	1,552
<i>Indirectly Managed Costs</i>						
Accommodation Charges	46	46	37	37	37	37
Asset Rentals	1,417	1,417	801	801	801	801
Grounds Maintenance	327	327	311	311	311	311
Contract Cleaning	58	58	57	57	57	57
Building Maintenance	105	105	108	108	108	108
Internal Insurance Premiums	24	24	10	10	10	10
Support Services Recharges*	1,261	1,261	1,385	1,385	1,385	1,385
<i>Total Indirect Expenditure</i>	3,237	3,237	2,708	2,708	2,708	2,708
Indirect Income Recharges	(2,682)	(2,682)	(2,064)	(2,064)	(2,064)	(2,064)
<i>Net Indirect Total</i>	555	555	644	644	644	644
Net Service Total	2,477	2,943	2,156	2,136	2,166	2,196
Summary of Budgets						
Original Budget 2015/16	2,477					
Virements	466					
Revised Budget 2015/16	2,943		2,943			
Variance			(787)			
Approved Budget 2016/17			2,156			

STATEMENT OF SERVICE 2015-20

ENT 4

Service: Development Planning

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	213	1,113	1,192	1,204	1,216	1,228
Employee Related Other	4	13	13	13	13	13
Employee Related Savings	(6)	(24)	(22)	(23)	(23)	(24)
Premises Related	2	2	2	2	2	2
Transport Related	0	11	11	11	11	11
Supplies & Services	220	426	404	404	404	404
Agency & Contracted	5	5	5	5	5	5
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	437	1,545	1,603	1,615	1,626	1,638
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	0	(633)	(667)	(667)	(667)	(667)
Other Income	(1)	(1)	(1)	(1)	(1)	(1)
<i>Total Direct Income</i>	(1)	(634)	(668)	(668)	(668)	(668)
<i>Net Direct Total</i>	436	911	935	946	958	969
<i>Indirectly Managed Costs</i>						
Accommodation Charges	7	81	65	65	65	65
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	1	1	1	1	1
Support Services Recharges	72	288	225	225	225	225
<i>Total Indirect Expenditure</i>	79	370	291	291	291	291
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	79	370	291	291	291	291
Net Service Total	516	1,281	1,226	1,237	1,249	1,260

Original Budget 2015/16	→	516	
Virements		765	
Revised Budget 2015/16		1,281	1,281
Variance			-55
Approved Budget 2016/17			1,226

STATEMENT OF SERVICE 2015-20

ENT 5

Service: Enterprise Management

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Employee Related Pay	399	399	422	426	431	435
Employee Related Other	3	3	2	2	2	2
Employee Related Savings	(5)	(5)	(8)	(9)	(9)	(9)
Premises Related	0	0	0	0	0	0
Transport Related	0	0	0	0	0	0
Supplies & Services	0	0	0	0	0	0
Agency & Contracted	0	0	(7)	(7)	(7)	(7)
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	397	397	409	413	417	421
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
Total Direct Income	0	0	0	0	0	0
Net Direct Total	397	397	409	413	417	421
Indirectly Managed Costs						
Accommodation Charges	0	0	0	0	0	0
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	29	29	39	39	39	39
Total Indirect Expenditure	29	29	39	39	39	39
Indirect Income Recharges	(424)	(424)	(447)	(447)	(447)	(447)
Net Indirect Total	(395)	(395)	(409)	(409)	(409)	(409)
Net Service Total	2	2	0	4	8	12

Original Budget 2015/16	→	2			
Virements		0			
Revised Budget 2015/16		2	2		
Variance				(2)	
Approved Budget 2016/17				0	

BUDGET 2016/17

SECTION 7

OPERATIONS

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

OPERATIONS PORTFOLIO

Fleet Transport **OPS 1**

Provides the management and maintenance of the authorities vehicle fleet.

Passenger Transport **OPS 2**

Provides school and community transport, vehicle hire facilities for external organisations and community groups.

Highways **OPS 3**

Provides a range of services including Highways Maintenance, Street Lighting, Traffic Management, Transport Policy and Land Drainage.

Waste & Street Scene **OPS 4**

Provides a range of services for: waste and recycling collections, street cleansing and local environmental cleanliness, grounds maintenance and provision of operational training

Registrars Births, Deaths & Marriages **OPS 5**

Provides the statutory duty to provide a Civil Registration Service for Monmouthshire to include Births, Deaths, Stillbirths, Marriages, Civil Partnerships and Citizenship Ceremonies. ***This Service moved to the Democracy & Regulatory Division in the CEO Directorate during 2015-16.***

Property & Facilities Management **OPS 6**

Provides Corporate Procurement, Property Design, Maintenance, Health and Safety, Facility Management, School Meals, Cleaning and Office Services for Monmouthshire County Council and Gwent Police Authority.

Budget Summary 2016/17

Sheet No:	OPERATIONS	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
OPS 1	Fleet Transport	(1,428)	(1,427)	(1,541)
OPS 2	Passenger Transport	5,393	5,270	5,559
OPS 3	Highways	3,250	3,372	3,249
OPS 4	Waste & Street Scene	6,017	6,110	7,053
OPS 5	Registrars Births, Deaths & Marriages	24	0	0
OPS 6	Property & Facilities Management	3,044	2,983	2,935
	Net Direct Total	16,300	16,308	17,255
	Indirectly Managed Costs			
OPS 1	Fleet Transport	1,194	1,194	680
OPS 2	Passenger Transport	382	382	459
OPS 3	Highways	3,685	3,685	18,568
OPS 4	Waste & Street Scene	536	536	594
OPS 5	Registrars Births, Deaths & Marriages	118	0	0
OPS 6	Property & Facilities Management	(2,016)	(2,016)	(2,051)
	Net Indirect Total	3,900	3,781	18,250
	Total Operations Service Areas	20,200	20,090	35,506

STATEMENT OF SERVICE 2015-20

Service:

OPERATIONS BUDGET SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	14,821	14,692	14,668	14,814	14,854	14,902
Employee Related Other	104	142	159	159	159	159
Employee Related Savings	(294)	(290)	(237)	(242)	(247)	(252)
Premises Related	2,519	2,493	2,479	2,325	2,325	2,325
Transport Related	12,737	12,259	12,277	12,307	12,304	12,322
Supplies & Services	5,360	5,625	5,860	5,860	5,860	5,860
Agency & Contracted	4,448	4,140	4,952	5,263	5,263	5,263
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	39,693	39,062	40,158	40,487	40,518	40,580
Grant Income	(3,199)	(3,199)	(3,163)	(3,163)	(3,163)	(3,163)
Discretionary Fees & Charges	(5,677)	(5,677)	(7,018)	(7,058)	(7,058)	(7,058)
Other Income	(14,518)	(13,879)	(12,721)	(12,721)	(12,721)	(12,721)
<i>Total Direct Income</i>	(23,393)	(22,754)	(22,902)	(22,942)	(22,942)	(22,942)
<i>Net Direct Total</i>	16,300	16,308	17,255	17,544	17,576	17,637
<i>Indirectly Managed Costs</i>						
Accommodation Charges	215	191	153	153	153	153
Asset Rentals	2,716	2,716	17,481	17,481	17,481	17,481
Grounds Maintenance	1,193	1,193	1,132	1,132	1,132	1,132
Contract Cleaning	93	93	91	91	91	91
Building Maintenance	73	73	76	76	76	76
Internal Insurance Premiums	971	971	1,018	1,018	1,018	1,018
Support Services Recharges	3,178	3,084	2,809	2,809	2,809	2,809
<i>Total Indirect Expenditure</i>	8,439	8,321	22,759	22,759	22,759	22,759
Indirect Income Recharges	(4,539)	(4,539)	(4,509)	(4,509)	(4,509)	(4,509)
<i>Net Indirect Total</i>	3,900	3,781	18,250	18,250	18,250	18,250
Net Service Total	20,200	20,090	35,506	35,795	35,826	35,888

STATEMENT OF SERVICE 2015-20

OPS 1

Service:

Fleet Transport

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	699	700	703	710	717	724
Employee Related Other	(56)	(56)	(56)	(56)	(56)	(56)
Employee Related Savings	(15)	(15)	(14)	(14)	(15)	(15)
Premises Related	146	146	150	150	150	150
Transport Related	2,498	2,498	2,243	2,243	2,193	2,139
Supplies & Services	136	136	133	133	133	133
Agency & Contracted	128	128	125	125	125	125
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	3,536	3,537	3,284	3,291	3,247	3,200
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	(1,363)	(1,363)	(1,499)	(1,499)	(1,499)	(1,499)
Other Income	(3,602)	(3,602)	(3,326)	(3,326)	(3,326)	(3,326)
<i>Total Direct Income</i>	(4,965)	(4,965)	(4,825)	(4,825)	(4,825)	(4,825)
<i>Net Direct Total</i>	(1,428)	(1,427)	(1,541)	(1,534)	(1,577)	(1,625)
<i>Indirectly Managed Costs</i>						
Accommodation Charges	0	0	0	0	0	0
Asset Rentals	143	143	143	143	143	143
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	2	2	6	6	6	6
Internal Insurance Premiums	663	663	244	244	244	244
Support Services Recharges*	386	386	287	287	287	287
<i>Total Indirect Expenditure</i>	1,194	1,194	680	680	680	680
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	1,194	1,194	680	680	680	680
Net Service Total	(235)	(234)	(861)	(854)	(897)	(945)
Original Budget 2015/16		(235)				
Virements		1				
Revised Budget 2015/16		(234)	(234)			
Variance			(627)			
Approved Budget 2016/17			(861)			

STATEMENT OF SERVICE 2015-20

OPS 2

Service:

Passenger Transport

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Employee Related Pay	1,406	1,386	1,510	1,525	1,540	1,556
Employee Related Other	19	19	19	19	19	19
Employee Related Savings	(28)	(28)	(30)	(31)	(31)	(32)
Premises Related	32	32	32	32	32	32
Transport Related	6,177	6,074	6,251	6,281	6,328	6,400
Supplies & Services	34	34	29	29	29	29
Agency & Contracted	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	7,640	7,517	7,811	7,855	7,917	8,003
Grant Income	(1,259)	(1,259)	(1,239)	(1,239)	(1,239)	(1,239)
Discretionary Fees & Charges	(489)	(489)	(550)	(550)	(550)	(550)
Other Income	(500)	(500)	(462)	(462)	(462)	(462)
Total Direct Income	(2,247)	(2,247)	(2,252)	(2,252)	(2,252)	(2,252)
Net Direct Total	5,393	5,270	5,559	5,604	5,665	5,752
Indirectly Managed Costs						
Accommodation Charges	25	25	20	20	20	20
Asset Rentals	146	146	146	146	146	146
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	6	6	6	6
Internal Insurance Premiums	11	11	66	66	66	66
Support Services Recharges*	200	200	221	221	221	221
Total Indirect Expenditure	382	382	459	459	459	459
Indirect Income Recharges	0	0	0	0	0	0
Net Indirect Total	382	382	459	459	459	459
Net Service Total	5,775	5,652	6,018	6,063	6,124	6,211

Original Budget 2015/16	5,775	
Virements	(123)	
Revised Budget 2015/16	5,652	5,652
Variance		366
Approved Budget 2016/17		6,018

STATEMENT OF SERVICE 2015-20

OPS 3

Service: **Highways**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	4,744	4,746	4,815	4,863	4,912	4,911
Employee Related Other	74	114	113	113	113	113
Employee Related Savings	(96)	(96)	(96)	(97)	(99)	(101)
Premises Related	436	460	460	460	460	460
Transport Related	2,372	2,006	1,993	1,993	1,993	1,993
Supplies & Services	2,335	2,330	2,311	2,311	2,311	2,311
Agency & Contracted	830	849	841	841	841	841
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	10,695	10,409	10,438	10,484	10,531	10,528
Grant Income	(2)	(2)	0	0	0	0
Discretionary Fees & Charges	0	0	(343)	(343)	(343)	(343)
Other Income	(7,442)	(7,035)	(6,846)	(6,846)	(6,846)	(6,846)
Total Direct Income	(7,445)	(7,037)	(7,189)	(7,189)	(7,189)	(7,189)
Net Direct Total	3,250	3,372	3,249	3,295	3,342	3,339
<i>Indirectly Managed Costs</i>						
Accommodation Charges	73	73	58	58	58	58
Asset Rentals	1,770	1,770	16,535	16,535	16,535	16,535
Grounds Maintenance	336	336	319	319	319	319
Contract Cleaning	1	1	1	1	1	1
Building Maintenance	14	14	44	44	44	44
Internal Insurance Premiums	234	234	372	372	372	372
Support Services Recharges*	1,257	1,257	1,238	1,238	1,238	1,238
Total Indirect Expenditure	3,685	3,685	18,568	18,568	18,568	18,568
Indirect Income Recharges	0	0	0	0	0	0
Net Indirect Total	3,685	3,685	18,568	18,568	18,568	18,568
Net Service Total	6,936	7,058	21,817	21,863	21,910	21,907

Original Budget 2015/16	6,936	
Virements	122	
Revised Budget 2015/16	7,058	7,058
Variance		14,760
Approved Budget 2016/17		21,817

STATEMENT OF SERVICE 2015-20

OPS 4

Service:

Waste & Street Scene

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Employee Related Pay	4,638	4,767	4,716	4,763	4,702	4,699
Employee Related Other	21	21	50	50	50	50
Employee Related Savings	(88)	(88)	(39)	(40)	(41)	(42)
Premises Related	48	48	72	72	72	72
Transport Related	1,575	1,575	1,693	1,693	1,693	1,693
Supplies & Services	1,619	1,822	1,992	1,992	1,992	1,992
Agency & Contracted	3,485	3,246	4,029	4,340	4,340	4,340
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	11,297	11,391	12,512	12,869	12,807	12,803
Grant Income	(1,938)	(1,938)	(1,923)	(1,923)	(1,923)	(1,923)
Discretionary Fees & Charges	(2,524)	(2,524)	(2,870)	(2,910)	(2,910)	(2,910)
Other Income	(819)	(819)	(665)	(665)	(665)	(665)
Total Direct Income	(5,281)	(5,281)	(5,458)	(5,498)	(5,498)	(5,498)
Net Direct Total	6,017	6,110	7,053	7,371	7,309	7,305
Indirectly Managed Costs						
Accommodation Charges	44	44	35	35	35	35
Asset Rentals	593	593	593	593	593	593
Grounds Maintenance	857	857	813	813	813	813
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	7	7	10	10	10	10
Internal Insurance Premiums	30	30	39	39	39	39
Support Services Recharges*	560	560	579	579	579	579
Total Indirect Expenditure	2,091	2,091	2,069	2,069	2,069	2,069
Indirect Income Recharges	(1,555)	(1,555)	(1,475)	(1,475)	(1,475)	(1,475)
Net Indirect Total	536	536	594	594	594	594
Net Service Total	6,553	6,647	7,647	7,965	7,903	7,899

Original Budget 2015/16	6,553	
Virements	93	
Revised Budget 2015/16	6,647	6,647
Variance		1,001
Approved Budget 2016/17		7,647

STATEMENT OF SERVICE 2015-20

OPS 5

Service: **Registrars Births, Deaths & Marriages**

NOW REPORTED AS PART OF DEMOCRACY & REGULATORY DIVISION IN CEO IN 2016-17

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	229	0	0	0	0	0
Employee Related Other	2	0	0	0	0	0
Employee Related Savings	(5)	0	0	0	0	0
Premises Related	0	0	0	0	0	0
Transport Related	9	0	0	0	0	0
Supplies & Services	21	0	0	0	0	0
Agency & Contracted	0	0	0	0	0	0
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	256	0	0	0	0	0
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	(232)	0	0	0	0	0
Total Direct Income	(232)	0	0	0	0	0
Net Direct Total	24	0	0	0	0	0
<i>Indirectly Managed Costs</i>						
Accommodation Charges	25	0	0	0	0	0
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges*	93	0	0	0	0	0
Total Indirect Expenditure	118	0	0	0	0	0
Indirect Income Recharges	0	0	0	0	0	0
Net Indirect Total	118	0	0	0	0	0
Net Service Total	143	0	0	0	0	0
Original Budget 2015/16						
		143				
Virements to CEO						
		(143)				
Revised Budget 2015/16						
		0	0			
Variance						
			(0)			
Approved Budget 2016/17						
			(0)			

STATEMENT OF SERVICE 2015-20

OPS 6

Service: **Property & Facilities Management**

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	3,104	3,093	2,924	2,953	2,982	3,012
Employee Related Other	44	44	34	34	34	34
Employee Related Savings	(62)	(62)	(58)	(59)	(61)	(62)
Premises Related	1,857	1,808	1,766	1,612	1,612	1,612
Transport Related	106	106	97	97	97	97
Supplies & Services	1,214	1,303	1,394	1,394	1,394	1,394
Agency & Contracted	6	(83)	(44)	(44)	(44)	(44)
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
Total Direct Expenditure	6,268	6,208	6,114	5,988	6,016	6,045
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	(1,301)	(1,301)	(1,756)	(1,756)	(1,756)	(1,756)
Other Income	(1,923)	(1,923)	(1,423)	(1,423)	(1,423)	(1,423)
Total Direct Income	(3,224)	(3,224)	(3,179)	(3,179)	(3,179)	(3,179)
Net Direct Total	3,044	2,983	2,935	2,809	2,837	2,866
<i>Indirectly Managed Costs</i>						
Accommodation Charges	48	48	39	39	39	39
Asset Rentals	64	64	64	64	64	64
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	91	91	90	90	90	90
Building Maintenance	51	51	10	10	10	10
Internal Insurance Premiums	33	33	296	296	296	296
Support Services Recharges*	681	681	484	484	484	484
Total Indirect Expenditure	968	968	983	983	983	983
Indirect Income Recharges	(2,984)	(2,984)	(3,034)	(3,034)	(3,034)	(3,034)
Net Indirect Total	(2,016)	(2,016)	(2,051)	(2,051)	(2,051)	(2,051)
Net Service Total	1,028	967	884	758	786	815

Original Budget 2015/16	1,028	
Virements	(61)	
Revised Budget 2015/16	967	967
Variance		(83)
Approved Budget 2016/17		884

BUDGET 2016/17

SECTION 8

CHIEF EXECUTIVE MANAGEMENT

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

CHIEF EXECUTIVE MANAGEMENT Services Portfolio

Policy & Partnership

CEO 1

To administer the democratic process and to be accountable for local government in Monmouthshire. To deliver corporate services including, Communications and Web Content, Improvement, Health Alliance, Welsh Language and Equalities, Community Safety and Policy.

Democratic & Regulatory Services

CEO 2

Provides a range of services including Legal & Land Charges, Public Health & Trading Standards, Building & Development Control, Democratic Services & Member Support, Elections, Registrars, Emergency Planning and Customer Relations.

Finance

CEO 3

To provide accounts and systems which enable the Council to properly manage its financial affairs within the legislation set by Government by; Supporting the services of the Council with robust and effective financial systems and timely and appropriate financial information and advice, and support services in relation to VAT and creditor payment services. To provide an internal audit service to the Authority. To provide a council tax, business rate and debtors collection service. To pay benefits and provide a cashiering and banking service.

Budget Summary 2016/17

Sheet No:	Chief Executive Management	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
CEO 1	Deputy Chief Executive	772	932	998
CEO 2	Democratic Services & Improvement	4,359	3,870	3,749
CEO 3	Finance	2,151	2,201	2,063
	Net Direct Total	7,282	7,003	6,811
	Indirectly Managed Costs			
CEO 1	Deputy Chief Executive	(502)	(539)	(733)
CEO 2	Democratic Services & Improvement	478	305	198
CEO 3	Finance	(1,041)	(1,041)	(1,099)
	Net Indirect Total	(1,065)	(1,275)	(1,634)
	Total Chief Executive Management	6,217	5,727	5,177

STATEMENT OF SERVICE 2015-20

Service:

CHIEF EXECUTIVE MANAGEMENT BUDGET SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	7,519	6,991	7,541	7,446	7,485	7,526
Employee Related Other	186	208	160	160	160	160
Employee Related Savings	(151)	(138)	(129)	(132)	(134)	(137)
Premises Related	8	27	10	10	10	10
Transport Related	64	63	66	66	66	66
Supplies & Services	2,821	2,672	1,885	1,840	1,840	1,840
Agency & Contracted	22,464	22,464	22,210	22,350	22,350	22,350
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	32,912	32,287	31,742	31,739	31,776	31,814
Grant Income	(23,965)	(24,050)	(23,634)	(23,634)	(23,634)	(23,634)
Discretionary Fees & Charges	(1,612)	(1,210)	(1,243)	(1,243)	(1,243)	(1,243)
Other Income	(53)	(24)	(55)	(55)	(55)	(55)
<i>Total Direct Income</i>	(25,629)	(25,284)	(24,932)	(24,932)	(24,932)	(24,932)
<i>Net Direct Total</i>	7,282	7,003	6,811	6,807	6,844	6,882
<i>Indirectly Managed Costs</i>						
Accommodation Charges	493	444	357	357	357	357
Asset Rentals	19	19	19	19	19	19
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	10	8	13	13	13	13
Support Services Recharges	2,602	2,486	2,396	2,396	2,396	2,396
<i>Total Indirect Expenditure</i>	3,124	2,957	2,784	2,784	2,784	2,784
Indirect Income Recharges	(4,189)	(4,232)	(4,418)	(4,418)	(4,418)	(4,418)
<i>Net Indirect Total</i>	(1,065)	(1,275)	(1,634)	(1,634)	(1,634)	(1,634)
<i>Net Service Total</i>	6,217	5,727	5,177	5,174	5,210	5,249

STATEMENT OF SERVICE 2015-20

CEO 1

Service:

Policy & Partnership

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	668	798	986	985	984	982
Employee Related Other	6	8	13	13	13	13
Employee Related Savings	(13)	(14)	(20)	(20)	(21)	(21)
Premises Related	0	0	0	0	0	0
Transport Related	0	0	0	0	0	0
Supplies & Services	1,133	1,161	772	772	772	772
Agency & Contracted	5	5	0	0	0	0
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	1,798	1,957	1,751	1,750	1,748	1,746
Grant Income	(946)	(1,005)	(732)	(732)	(732)	(732)
Discretionary Fees & Charges	(79)	(20)	(20)	(20)	(20)	(20)
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	(1,025)	(1,025)	(752)	(752)	(752)	(752)
<i>Net Direct Total</i>	772	932	998	998	996	993
<i>Indirectly Managed Costs</i>						
Accommodation Charges	12	12	10	10	10	10
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	1	1	1	1	1	1
Support Services Recharges	250	256	294	294	294	294
<i>Total Indirect Expenditure</i>	263	269	305	305	305	305
Indirect Income Recharges	(765)	(808)	(1,039)	(1,039)	(1,039)	(1,039)
<i>Net Indirect Total</i>	(502)	(539)	(733)	(733)	(733)	(733)
<i>Net Service Total</i>	270	393	265	264	263	260

Original Budget 2015/16	→	270	
Virements		122	
Revised Budget 2015/16		393	393
Variance			(128)
Approved Budget 2016/17			265

STATEMENT OF SERVICE 2015-20

CEO 2

Service:

Democratic & Regulatory Services

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	5,027	4,340	4,641	4,537	4,570	4,605
Employee Related Other	125	142	80	80	80	80
Employee Related Savings	(101)	(88)	(72)	(74)	(75)	(77)
Premises Related	2	2	4	4	4	4
Transport Related	54	53	56	56	56	56
Supplies & Services	601	424	81	36	36	36
Agency & Contracted	48	48	21	21	21	21
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	5,756	4,921	4,810	4,660	4,692	4,725
Grant Income	(5)	(31)	(1)	(1)	(1)	(1)
Discretionary Fees & Charges	(1,350)	(1,006)	(1,048)	(1,048)	(1,048)	(1,048)
Other Income	(42)	(14)	(12)	(12)	(12)	(12)
<i>Total Direct Income</i>	(1,397)	(1,051)	(1,061)	(1,061)	(1,061)	(1,061)
<i>Net Direct Total</i>	4,359	3,870	3,749	3,599	3,631	3,664
<i>Indirectly Managed Costs</i>						
Accommodation Charges	393	343	276	276	276	276
Asset Rentals	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	7	5	3	3	3	3
Support Services Recharges	1,036	914	979	979	979	979
<i>Total Indirect Expenditure</i>	1,436	1,263	1,258	1,258	1,258	1,258
Indirect Income Recharges	(958)	(958)	(1,060)	(1,060)	(1,060)	(1,060)
<i>Net Indirect Total</i>	478	305	198	198	198	198
<i>Net Service Total</i>	4,837	4,175	3,948	3,797	3,829	3,862

Original Budget 2015/16	4,837
Virements	(662)
Revised Budget 2015/16	4,175
Variance	(227)
Approved Budget 2016/17	3,948

STATEMENT OF SERVICE 2015-20

CEO 3

Service:

Finance

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
Employee Related Pay	1,823	1,853	1,915	1,924	1,931	1,939
Employee Related Other	56	58	67	67	67	67
Employee Related Savings	(36)	(36)	(37)	(38)	(39)	(40)
Premises Related	6	25	6	6	6	6
Transport Related	10	10	10	10	10	10
Supplies & Services	1,087	1,087	1,032	1,032	1,032	1,032
Agency & Contracted	22,412	22,412	22,189	22,329	22,329	22,329
Transfer Payments	0	0	0	0	0	0
Capital Financing	0	0	0	0	0	0
<i>Total Direct Expenditure</i>	25,359	25,408	25,181	25,329	25,336	25,343
Grant Income	(23,013)	(23,013)	(22,900)	(22,900)	(22,900)	(22,900)
Discretionary Fees & Charges	(184)	(184)	(175)	(175)	(175)	(175)
Other Income	(11)	(11)	(43)	(43)	(43)	(43)
<i>Total Direct Income</i>	(23,208)	(23,208)	(23,118)	(23,118)	(23,118)	(23,118)
<i>Net Direct Total</i>	2,151	2,201	2,063	2,211	2,217	2,225
<i>Indirectly Managed Costs</i>						
Accommodation Charges	88	88	70	70	70	70
Asset Rentals	19	19	19	19	19	19
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	2	2	9	9	9	9
Support Services Recharges*	1,316	1,316	1,123	1,123	1,123	1,123
<i>Total Indirect Expenditure</i>	1,425	1,425	1,221	1,221	1,221	1,221
Indirect Income Recharges	(2,466)	(2,466)	(2,320)	(2,320)	(2,320)	(2,320)
<i>Net Indirect Total</i>	(1,041)	(1,041)	(1,099)	(1,099)	(1,099)	(1,099)
<i>Net Service Total</i>	1,110	1,160	964	1,112	1,119	1,126

Original Budget 2015/16	→	1,110	
Virements		50	
Revised Budget 2015/16		1,160	1,160
Variance			(196)
Approved Budget 2016/17			964

BUDGET 2016/17

SECTION 9

CORPORATE COSTS & LEVIES

PORTFOLIO

BUDGET 2016/17

INDEX OF SERVICES

Corporate Costs & Levies Portfolio

<u>Corporate Management (CM)</u>	COL 1
Provide for a range of financial services supporting the council, including External Audit Fees, Bank Charges, Corporate Management Costs and Statutory duties.	
<u>Non Distributed Costs (NDC)</u>	COL 2
Provision for past service costs, curtailments, settlements and the share of unused long term unrealisable assets	
<u>Precepts & Levies</u>	COL 3
Community Council and Gwent Police Precepts, Levies for the Fire Service, Coroner, Drainage Boards and Gwent Archives Service	
<u>Internal Insurance Account</u>	COL 4
Insurance provision for the County and Council	

Budget Summary 2016/17

Sheet No:	Corporate Costs & Levies Service Area	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Original Budget 2016/17 £000's
	Directly Managed Costs			
COL 1	Corporate Management (CM)	598	348	1,106
COL 2	Non Distributed Costs (NDC)	700	700	726
COL 3	Precepts & Levies	15,951	15,951	16,746
COL 4	Internal Insurance Account	1,217	1,217	1,218
	Net Direct Total	18,466	18,216	19,796
	Indirectly Managed Costs			
COL 1	Corporate Management (CM)	0	0	0
COL 2	Non Distributed Costs (NDC)	0	0	0
COL 3	Precepts & Levies	0	0	0
COL 4	Internal Insurance Account	(1,217)	(1,217)	(1,218)
	Net Indirect Total	(1,217)	(1,217)	(1,218)
	Total Corporate Costs & Levies Service Areas	17,249	16,999	18,578

STATEMENT OF SERVICE 2015-20

Service:

CORPORATE SUMMARY

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
County Hall Accommodation Charge	-	0	0	0	0	0
External Audit Fees	361	361	361	361	361	361
Living Wage Allowance	115	0	185	184	253	253
Pension auto-enrolment	-	0	0	913	1,186	1,186
Redundancy Provision	-	0	450	700	700	700
Treasury & Bank Charges	56	58	56	56	56	56
Agile Working Furniture & Equipment	110	110	110	110	111	113
Other Expenditure	17	16	17	17	17	17
Retirement Pensions: Ex GCC/MBC	370	370	370	370	370	370
Pensions Recurring (Enhancements)	325	325	352	202	164	88
Pension Administration Fees	5	5	5	5	5	5
Precepts & levies	15,951	15,951	16,746	17,173	17,618	18,083
Internal Insurance Account	1,223	1,223	1,225	1,226	1,227	1,227
Total Direct Expenditure	18,533	18,420	19,876	21,316	22,068	22,459
Indirect Revenue Gains	0	(50)	0	0	0	0
R&R Fund Reimbursements	(20)	(57)	(33)	(95)	(131)	(92)
Crematorium Dividend	(40)	(90)	(40)	(40)	(40)	(40)
External Insurance Premium Recharges	(7)	(7)	(7)	(7)	(7)	(7)
Other Income	0	0	0	0	0	0
Total Direct Income	(67)	(204)	(79)	(142)	(177)	(139)
Net Direct Total	18,466	18,216	19,796	21,175	21,891	22,319
<i>Indirectly Managed Costs</i>						
Accommodation Charges	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	0	0	0	0	0	0
Total Indirect Expenditure	0	0	0	0	0	0
Indirect Income Recharges	(1,217)	(1,217)	(1,218)	(1,219)	(1,221)	(1,221)
Net Indirect Total	(1,217)	(1,217)	(1,218)	(1,219)	(1,221)	(1,221)
Net Service Total	17,249	16,999	18,578	19,956	20,670	21,098
Original Budget 2015/16		17,249				
Virements		(250)				
Revised Budget 2015/16		16,999	16,999			
Variance			1,579			
Approved Budget 2016/17			18,578			

STATEMENT OF SERVICE 2015-20

Sheet: COL 1

Service: Corporate Management

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Directly Managed Costs</i>						
County Hall Accommodation Charge	0	0	0	0	0	0
External Audit Fees	361	361	361	361	361	361
Living Wage Allowance	115	0	185	184	253	253
Pension auto-enrolment	0	0	0	913	1,186	1,186
Redundancy Provision	0	0	450	700	700	700
Treasury & Bank Charges	56	58	56	56	56	56
Agile Working Furniture & Equipment	110	110	110	110	111	113
Other Expenditure	17	16	17	17	17	17
<i>Total Direct Expenditure</i>	658	545	1,178	2,340	2,684	2,686
Indirect Revenue Gains	0	(50)	0	0	0	0
R&R Fund Reimbursements	(20)	(57)	(33)	(95)	(131)	(92)
Crematorium Dividend	(40)	(90)	(40)	(40)	(40)	(40)
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	(60)	(197)	(73)	(135)	(171)	(132)
<i>Net Direct Total</i>	598	348	1,106	2,206	2,514	2,554
<i>Indirectly Managed Costs</i>						
Accommodation Charges	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	0	0	0	0	0	0
<i>Total Indirect Expenditure</i>	0	0	0	0	0	0
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	0	0	0	0	0	0
<i>Net Service Total</i>	598	348	1,106	2,206	2,514	2,554

Original Budget 2015/16		598	
Virements		(250)	
Revised Budget 2015/16		348	348
Variance			758
Approved Budget 2016/17			1,106

STATEMENT OF SERVICE 2015-20

Sheet: COL 2

Service:

Non-Distributed Costs

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Retirement Pensions: Ex GCC/MBC	370	370	370	370	370	370
Pensions Recurring (Enhancements)	325	325	352	202	164	88
Pension Administration Fees	5	5	5	5	5	5
Total Direct Expenditure	700	700	726	577	539	463
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
Total Direct Income	0	0	0	0	0	0
Net Direct Total	700	700	726	577	539	463
Indirectly Managed Costs						
Accommodation Charges	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	0	0	0	0	0	0
Total Indirect Expenditure	0	0	0	0	0	0
Indirect Income Recharges	0	0	0	0	0	0
Net Indirect Total	0	0	0	0	0	0
Net Service Total	700	700	726	577	539	463

Original Budget 2015/16	700
Virements	0
Revised Budget 2015/16	700
Variance	26
Approved Budget 2016/17	726

STATEMENT OF SERVICE 2015-20

Sheet: COL 3

Service: Precepts and Levies

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
<i>Precepts & Levies</i>						
South Wales Fire Authority Levy	4,188	4,188	4,209	4,209	4,209	4,209
Joint Services: Coroner Service	80	80	80	80	80	80
Gwent Archives Levy	183	183	183	183	183	183
Internal Drainage Board Levies	90	90	90	90	90	90
Brecon Beacons National Park	110	110	110	110	110	110
Community Council Precepts	1,870	1,870	2,150	2,150	2,150	2,150
Gwent Police & Crime						
Commissioner Precept	9,430	9,430	9,925	10,352	10,797	11,261
<i>Total Direct Expenditure</i>	15,951	15,951	16,746	17,173	17,618	18,083
Grant Income	0	0	0	0	0	0
Discretionary Fees & Charges	0	0	0	0	0	0
Other Income	0	0	0	0	0	0
<i>Total Direct Income</i>	0	0	0	0	0	0
<i>Net Direct Total</i>	15,951	15,951	16,746	17,173	17,618	18,083
<i>Indirectly Managed Costs</i>						
Accommodation Charges	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	0	0	0	0	0	0
<i>Total Indirect Expenditure</i>	0	0	0	0	0	0
Indirect Income Recharges	0	0	0	0	0	0
<i>Net Indirect Total</i>	0	0	0	0	0	0
<i>Net Service Total</i>	15,951	15,951	16,746	17,173	17,618	18,083

Original Budget 2015/16	15,951	
Virements	0	
Revised Budget 2015/16	15,951	15,951
Variance		795
Approved Budget 2016/17		16,746

STATEMENT OF SERVICE 2015-20

Sheet: COL 4

Service: Internal Insurance Account

Revenue Cost Plan:

	Original Budget 2015/16 £000's	Revised Budget 2015/16 £000's	Year 1 Budget 2016/17 £000's	Year 2 Budget 2017/18 £000's	Year 3 Budget 2018/19 £000's	Year 4 Budget 2019/20 £000's
Directly Managed Costs						
Insurance Premium	752	752	738	739	741	741
Self Insured Cost Estimate	372	372	371	371	371	371
Employee Related Expenditure	80	80	115	115	115	115
Other Expenditure	0	0	0	0	0	0
Professional Fees	21	21	0	0	0	0
Leasehold Flats Policy Payment	0	0	0	0	0	0
Total Direct Expenditure	1,223	1,223	1,225	1,226	1,227	1,227
Grant Income	0	0	0	0	0	0
External Insurance Premium Recharges	(7)	(7)	(7)	(7)	(7)	(7)
Total Direct Income	(7)	(7)	(7)	(7)	(7)	(7)
Net Direct Total	1,217	1,217	1,218	1,219	1,221	1,221
Indirectly Managed Costs						
Accommodation Charges	0	0	0	0	0	0
Depreciation	0	0	0	0	0	0
Grounds Maintenance	0	0	0	0	0	0
Contract Cleaning	0	0	0	0	0	0
Building Maintenance	0	0	0	0	0	0
Internal Insurance Premiums	0	0	0	0	0	0
Support Services Recharges	0	0	0	0	0	0
Total Indirect Expenditure	0	0	0	0	0	0
Indirect Income Recharges	(1,217)	(1,217)	(1,218)	(1,219)	(1,221)	(1,221)
Net Indirect Total	(1,217)	(1,217)	(1,218)	(1,219)	(1,221)	(1,221)
Net Service Total	(0)	(0)	(0)	(0)	(0)	(0)
Original Budget 2015/16	(0)					
Virements		0				
Revised Budget 2015/16		(0)	(0)			
Variance			0			
Approved Budget 2016/17			0			

BUDGET 2014/19

SECTION 10

CAPITAL
PROGRAMME

Including prudential code indicators

BUDGET 2015/20

INDEX OF SCHEMES

Capital Programme Portfolio

Capital Scheme Type	Reference No.
Asset Management Schemes	Cap 1
Regeneration Schemes	Cap 2
Future Schools & School Development Schemes	Cap 3
Infrastructure & Transport Schemes	Cap 4
County Farms Schemes	Cap 5
Inclusion Schemes	Cap 6
Other Schemes	Cap 7
Vehicle Replacement - Purchase	Cap 8
PRUDENTIAL CODE INDICATORS	Cap 9

**General Fund Capital Programme
Budget Summary 2015/20**

Scheme Type	Original Budget 2015/16 £000's	Proposed Slippage 2015/16 £000's	Budget Revisions 2015/16 £000's	Revised Budget 2015/16 £000's
Asset Management Schemes	2,164	0	2,091	4,255
Regeneration Schemes	0	(247)	1,673	1,426
School Development Schemes	50	0	0	50
Future Schools Schemes	42,192	(33,754)	7,723	16,161
IT Transformation Schemes	0	0	317	317
Infrastructure & Transport Schemes	2,112	(68)	1,809	3,853
County Farms Schemes	201	0	152	352
Inclusion Schemes	850	0	504	1,354
Sustainability Schemes	0	0	81	81
Other Schemes	65	(333)	381	113
Total Capital Programme	47,633	(34,402)	14,730	27,961

Funding Stream	Original Budget 2015/16 £000's	Proposed Slippage 2015/16 £000's	Budget Revisions 2015/16 £000's	Revised Budget 2015/16 £000's
Supported Borrowing	(2,420)	0	2,728	308
Unsupported Borrowing	(11,315)	0	1,000	(10,315)
General Capital Grant	(1,462)	0	(4,514)	(5,976)
Other Grants and Contributions	(16,816)	10,348	0	(6,468)
S106 Developers Contributions	0	11,156	(1,309)	9,846
Capital Receipts	(15,130)	12,899	(11,477)	(13,708)
Revenue Contribution - IT Transformation Reserve	0	0	(347)	(347)
Revenue Contribution - Capital Investment Reserve	(490)	0	0	(490)
Revenue Contribution - Invest to Redesign Reserve	0	0	(411)	(411)
Revenue Contribution - Priority Investment Reserve	0	0	0	0
Revenue Contribution	0	0	(210)	(210)
Capital Receipt Generation Reserve	0	0	0	0
Low Cost Home Ownership	0	0	(189)	(189)
CRA Revenue Contribution to Capital	0	0	0	0
Total Capital Funding	(47,633)	34,402	(14,730)	(27,961)

Lease Financed Expenditure: (Vehicles purchased through Purchase, Sale and Leaseback arrangements)

	Original Budget 2015/16 £000's	Approved Slippage 2015/16 £000's	Budget Revisions 2015/16 £000's	Revised Budget 2015/16 £000's
Expenditure:				
Vehicle Replacement - Purchase	1,500	0	0	1,500
Financed by:				
Vehicle Replacement - Sale and Leaseback	(1,500)	0	0	(1,500)

**General Fund Capital Programme
Budget Summary 2015/20**

Scheme Type	Revised Budget 2015/16 £000's	Proposed Slippage 2015/16 £000's	Original Budget 2016/17 £000's	Indicative Budget 2016/17 £000's	Indicative Budget 2017/18 £000's	Indicative Budget 2018/19 £000's	Indicative Budget 2019/20 £000's
Asset Management Schemes	4,255	0	1,929	1,929	1,929	1,929	1,929
Regeneration Schemes	1,426	247	0	247	0	0	0
School Development Schemes	50	0	50	50	50	50	50
Future Schools Schemes	16,161	33,754	2,481	36,235	24,176	2,801	0
IT Transformation Schemes	317	0	0	0	0	0	0
Infrastructure & Transport Schemes	3,853	68	2,241	2,309	2,241	2,241	2,241
County Farms Schemes	352	0	301	301	301	301	301
Inclusion Schemes	1,354	0	850	850	850	850	850
Sustainability Schemes	81	0	0	0	0	0	0
Other Schemes	113	333	20	353	20	20	20
Total Capital Expenditure	27,961	34,402	7,873	42,275	29,566	8,192	5,391

Capital Funding Streams	Revised Budget 2015/16 £000's	Proposed Slippage 2015/16 £000's	Original Budget 2016/17 £000's	Indicative Budget 2016/17 £000's	Indicative Budget 2017/18 £000's	Indicative Budget 2018/19 £000's	Indicative Budget 2019/20 £000's
Supported Borrowing	308	0	(2,400)	(2,400)	(2,406)	(2,406)	(2,406)
Unsupported Borrowing	(10,315)	(10,348)	(9,248)	(19,596)	(908)	161	(1,000)
General Capital Grant	(5,976)	0	0	0	(1,464)	(1,464)	(1,464)
Other Grants and Contributions	(6,468)	0	0	0	(6,606)	0	0
S106 Developers Contributions	9,846	(11,156)	(2,286)	(13,442)	0	0	0
Capital Receipts	(13,708)	(12,899)	6,573	(6,326)	(18,171)	(4,471)	(509)
Revenue Contribution - IT Transformation Reserve	(347)	0	(511)	(511)	0	0	0
Revenue Contribution - Capital Investment Reserve	(490)	0	0	0	(12)	(12)	(12)
Revenue Contribution - Invest to Redesign Reserve	(411)	0	0	0	0	0	0
Revenue Contribution - Priority Investment Reserve	0	0	0	0	0	0	0
Revenue Contribution	(210)	0	0	0	0	0	0
Capital Receipt Generation Reserve	0	0	0	0	0	0	0
Low Cost Home Ownership	(189)	0	0	0	0	0	0
Total Capital Funding	(27,961)	(34,402)	(7,873)	(42,275)	(29,566)	(8,192)	(5,391)

(Surplus) / Deficit	0	0	0	0	0	0	0
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Lease Financed Expenditure: (Vehicles purchased through Purchase, Sale and Leaseback arrangements)

	Revised Budget 2015/16 £000's	Proposed Slippage 2015/16 £000's	Original Budget 2016/17 £000's	Indicative Budget 2016/17 £000's	Indicative Budget 2017/18 £000's	Indicative Budget 2018/19 £000's	Indicative Budget 2019/20 £000's
Expenditure:							
Vehicle Replacement - Purchase	1,500	0	1,500	1,500	1,500	1,500	1,500
Financed by:							
Vehicle Replacement - Sale and Leaseback	(1,500)	0	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)

STATEMENT OF SCHEMES 2015-20

CAP 1

Scheme Type: **Asset Management Schemes**

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
Scheme Name		
Property Maintenance	1,929,278	Maintenance to the fabric and infrastructure of the Authority's buildings as identified in stock condition surveys.
Total Budget	1,929,278	

CAP 2

Scheme Type: **Regeneration Schemes**

	Indicative Budget 2016/17 £	Scheme Description
Scheme Name		
Section 106 Schemes	247,346	Community Improvement Schemes
Total Budget	247,346	

CAP 3

Scheme Type: **School Development and Future Schools Schemes**

	Indicative Budget 2016/17 £	Scheme Description
Scheme Name		
Future Schools Schemes		
21st Century School - Raglan Primary	112,500	Investment in key priority 21st Century Schools
21st Century School - Monmouth Comp	13,078,051	Investment in key priority 21st Century Schools
21st Century School - Caldicot Comp	22,544,878	Investment in key priority 21st Century Schools
21st Century School - Welsh Medium Secondary	500,000	Investment in key priority 21st Century Schools
	36,235,429	
School development Schemes		
Access For All	50,000	Minor access improvements at various primary and secondary schools.
Total Budget	36,285,429	

STATEMENT OF SCHEMES 2015-20

CAP 4

Scheme Type:

Infrastructure & Transport Schemes

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
Scheme Name		
Footway Reconstruction Footway works	190,453	Reconstruct and make safe footways in order to prevent & reduce the number of accidents
Street Lighting Street Lighting - Defective Column Programme	171,408	Replace dangerous columns and cables to improve the safety of street lights and reduce maintenance required
Structures Reconstruction of Bridges and Retaining Walls	449,041	Required to comply with statutory obligations to ensure that bridges are safe for use
Structural Repairs PROW	106,292	Repairs to structures which constitute public rights of way.
Safety Fences Safety Fence Upgrade	76,181	New fences and repairs to safety fences to comply with recommended guidelines and increase the safety of activities near fencing
Carriageway Resurfacing Resurfacing - Various	1,136,540	Work to restore the condition of worn carriageways in order to make them safe and in some cases to extend their useful economic lives
Infrastructure - Other Signing Upgrades	38,091	Various upgrades to improve signing & disabled facilities
Flood Alleviation Schemes	11,427	To provide match funding to compliment WAG contribution for the provision of flood alleviation studies and schemes
Road Safety and Traffic Management Programme	129,508	Various road safety strategies
Total Budget	2,308,941	

STATEMENT OF SCHEMES 2015-20

CAP 5

Scheme Type: County Farms Schemes

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
<i>Scheme Name</i> County Farms Maintenance	300,773	Repair and maintenance to County Farms to enable continued use and release capital assets for investment

<i>Total Budget</i>	300,773
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CAP 6

Scheme Type: Inclusion Schemes

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
<i>Scheme Name</i> Access for All	250,000	To ensure that the Authority's operational buildings that are delivering front line services are enabled for equal access to all of the community.
Renovation Grants	600,000	To Deliver the Authority's Statutory obligation to People with disabilities

<i>Total Budget</i>	850,000
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STATEMENT OF SCHEMES 2015-20

CAP 7

Scheme Type: Other Schemes

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
<i>Scheme Name</i>		
Area Management	40,000	To be responsive to the needs of the communities by carrying out small environmental projects in the areas
Non County Farms Fixed Assets Disposal Costs	312,736	Costs associated with the disposals of non County Farms Fixed Assets

<i>Total Budget</i>	352,736
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CAP 8

Scheme Type: Vehicle Replacement - Purchase

Budget Detail:

	Indicative Budget 2016/17 £	Scheme Description
<i>Scheme Name</i>		
Leasing - To be allocated	1,500,000	For the purchase of vehicles under the Authority's vehicle replacement programme. Vehicle purchases are initially made in the capital programme, following a financial appraisal exercise they are financed by either leasing (sale and leaseback) or by Authority borrowing.

<i>Total Budget</i>	1,500,000
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PRUDENTIAL CODE INDICATORS

CAP 9

	2014/15 Actual	2015/16	2016/17	2017/18	2018/19	2019/20
Capital Expenditure	£m	£m	£m	£m	£m	£m
	13.7	24.7	42.2	29.5	8.1	5.3
Ratio of financing costs to net revenue stream	%	%	%	%	%	%
	6.2	6.5	4.8	6.3	6.5	6.5
Incremental Impact on Council Tax	£	£	£	£	£	£
Unsupported Borrowing	12.2	0.0	35.8	1.7	-0.3	1.9
Total Impact on Council Tax	12.2	0.0	35.8	1.7	-0.3	1.9
Capital Financing Requirement	£m	£m	£m	£m	£m	£m
	122.9	113.3	124.8	121.1	118.0	116.0
Authorised Limit	£m	£m	£m	£m	£m	£m
Long Term Liabilities	2.6	2.6	2.6	2.6	2.5	2.5
Borrowing	134.6	137.1	134.0	145.3	147.0	139.0
Operational Boundary	£m	£m	£m	£m	£m	£m
Long Term Liabilities	1.1	1.1	1.1	1.1	1.0	1.0
Borrowing	113.6	120.2	113.0	124.3	126.0	118.0
TREASURY MANAGEMENT INDICATORS						
Interest Rate Exposure 2016/17	Maximum	Minimum				
	£m	£m				
Net Variable Rate	50	NA				
Fixed Rate	100	NA				
Debt Maturity Structure - Fixed Rate for 2016/17	Lower Limit	Upper Limit				
	%	%				
Under 12 Months	0	50				
1 to 2 Years	0	40				
2 to 5 Years	0	45				
5 to 10 Years	0	30				
Over 10 Years	0	100				

BUDGET 2015/20

SECTION 11

**Treasury Management Strategy
& Annual Investment Strategy 2016/17**

Appendix 1 - Treasury Management Strategy Statement & Investment Strategy 2016/17 (including MRP policy Statement)

Introduction

In March 2005 the Authority originally adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services Code. The Code of Practice 2011 Edition* (the CIPFA Code) requires the Authority to approve a treasury management strategy before the start of each financial year.

In addition, the Welsh Government (WG) issued revised *Guidance on Local Authority Investments* in March 2010 that requires the Authority to approve an investment strategy before the start of each financial year.

This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to both the CIPFA Code and the WG Guidance.

The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

External Context

Economic background: Domestic demand has grown robustly, supported by sustained real income growth and a gradual decline in private sector savings. Low oil and commodity prices were a notable feature of 2015, and contributed to annual CPI inflation falling to 0.1% in October. Wages are growing at 3% a year, and the unemployment rate has dropped to 5.4%. Mortgage approvals have risen to over 70,000 a month and annual house price growth is around 3.5%. These factors have boosted consumer confidence, helping to underpin retail spending and hence GDP growth, which was an encouraging 2.3% a year in the third quarter of 2015. Although speeches by the Bank of England's Monetary Policy Committee (MPC) members sent signals that some were willing to countenance higher interest rates, the MPC held policy rates at 0.5% for the 81st consecutive month at its meeting in November 2015. Quantitative easing (QE) has been maintained at £375bn since July 2012.

The outcome of the UK general election, which was largely fought over the parties' approach to dealing with the deficit in the public finances, saw some big shifts in the political landscape and put the key issue of the UK's relationship with the EU at the heart of future politics. Uncertainty over the outcome of the forthcoming referendum could put downward pressure on UK GDP growth and interest rates.

China's growth has slowed and its economy is performing below expectations, reducing global demand for commodities and contributing to emerging market weakness. US domestic growth has accelerated but the globally sensitive sectors of the US economy have slowed. Strong US labour market data and other economic indicators however suggest recent global turbulence has not knocked the American recovery off course. The Federal Reserve raised its policy rates by 0.25% at its meeting in December 2015. In contrast, the European Central Bank finally embarked on QE in 2015 to counter the perils of deflation.

Credit outlook: The varying fortunes of different parts of the global economy are reflected in market indicators of credit risk. UK Banks operating in the Far East and parts of mainland Europe have seen their perceived risk increase, while those with a more domestic focus continue to show improvement. The sale of most of the government's stake in Lloyds and the first sale of its shares in RBS have generally been seen as credit positive.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the UK, USA and Germany. The rest of the European Union will follow suit in January 2016, while Australia, Canada and Switzerland are well advanced with their own plans. Meanwhile, changes to the UK Financial Services Compensation Scheme and similar European schemes in July 2015 mean that most private sector investors are now partially or fully exempt from contributing to a bail-in. The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however remain stubbornly low.

Interest rate forecast: The Authority's treasury advisor Arlingclose projects the first 0.25% increase in UK Bank Rate in the third quarter of 2016, rising by 0.5% a year thereafter, finally settling between 2% and 3% in several years' time. Persistently low inflation, subdued global growth and potential concerns over the UK's position in Europe mean that the risks to this forecast are weighted towards the downside.

A shallow upward path for medium term gilt yields is forecast, as continuing concerns about the Eurozone, emerging markets and other geo-political events weigh on risk appetite, while inflation expectations remain subdued. Arlingclose projects the 10 year gilt yield to rise from its current 2.0% level by around 0.3% a year. The uncertainties surrounding the timing of UK and US interest rate rises are likely to prompt short-term volatility in gilt yields.

A more detailed economic and interest rate forecast provided by Arlingclose is attached at **Annex A**.

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.5%, (due to low expected investment balances), and that new long-term loans will be borrowed at an average rate of 3.5%.

Local Context

At the 31st December 2015, the Authority had £95.0m of borrowing and £13.1m of investments. This is set out in further detail at **Annex B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast

	31.3.15 Actual £m	31.3.16 Estimate £m	31.3.17 Forecast £m	31.3.18 Forecast £m	31.3.19 Forecast £m	31.3.20 Forecast £m
General Fund CFR	122.9	113.3	124.8	121.1	118.0	116.0
Less: Other debt liabilities *	-1.2	-1.2	-1.2	-1.2	-1.2	-1.2
Borrowing CFR	121.7	112.1	123.6	119.9	115.8	114.8
Less: External borrowing **	-99.3	-92.6	-63.6	-60.5	-59.6	-57.8
Internal (over) borrowing	22.4	19.5	60.0	59.4	56.2	57.0

Less: Usable reserves	-36.6	-22.3	-31.7	-20.0	-17.4	-16.9
(Investments) or New borrowing	-14.2	-2.8	28.3	39.4	38.8	40.1

* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

** shows only loans to which the Authority is committed and excludes optional refinancing

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, subject to holding a minimum investment balance of £5m.

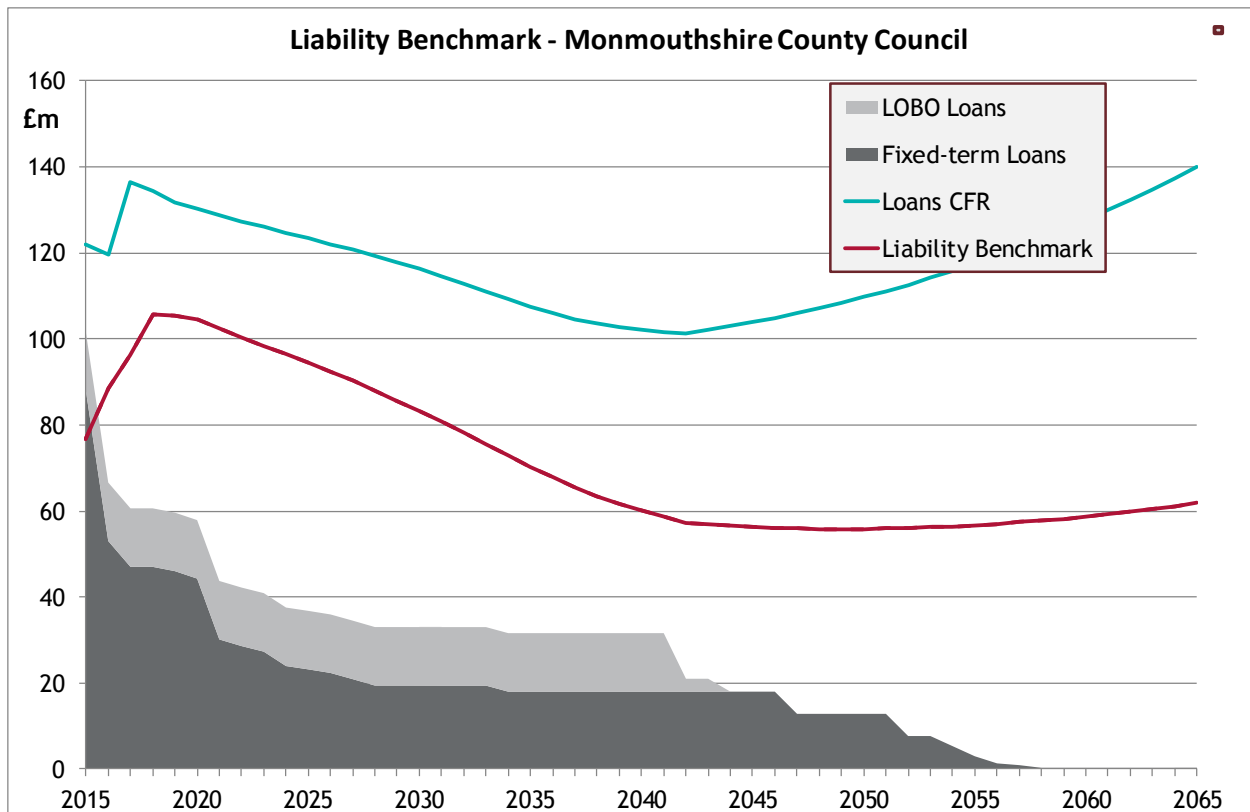
The Authority is intent to maximise internal borrowing to reduce the cost of carry (the difference between the cost of new borrowing offset by the return from investing surplus cash). The internal borrowing at the 31st March 2016 is expected to be £19.5m. At the 31st December 2015 the Authority was holding £27m of short term borrowing which is not included in the 31/3/17 and later external borrowing figures above. The bottom line shows a net borrowing requirement from 2016/17 onwards which can be satisfied by renewing the £27m of temporary borrowing and/or taking out new long term borrowing. The 2016/17 treasury budget is based on taking out £10m of long term borrowing, the rest being short term.

The CFR increases in 2016/17 are due to the borrowing funded element of the future schools program.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2016/17.

To assist with its long-term treasury management strategy, the Authority and its advisers have created a liability benchmark, which forecasts the Authority's need to borrow over a 50 year period. Following on from the medium term forecasts in table 1 above, the benchmark assumes:

- capital expenditure funded by borrowing increases by 2.5% per year
- minimum revenue provision on new capital expenditure based on a 25 year asset life
- income, expenditure and reserves all increase by 2.5% inflation a year



The loans CFR is the level of borrowing the Authority is entitled to take out. The liability benchmark (lower line) is the Loans CFR adjusted for reserves and working capital which represents the borrowing level which is required if we continue to maximise internal borrowing. The shaded area represents loans which we are committed to. The gap between the blue line and the grey shaded area is the new borrowing which the Authority will need to take out if the assumptions above the graph do not change. This shows that if we renew the £27m of short term borrowing for the foreseeable future, we would need an additional level of borrowing, maybe long term borrowing, of about £10m from about 2017 to about 2035 ie about 18 years.

Borrowing Strategy

At the 31st March 2016, the Authority expects to be holding £92.6 million of loans, a decrease of £6.7m million on the previous year. The balance sheet forecast in table 1 shows that the Authority expects to borrow £28.3m in 2016/17 in order to fund its capital program.

Objectives: The Authority’s chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Authority’s long-term plans change is a secondary objective.

Strategy: Given the significant cuts to public expenditure and in particular to local government funding, the Authority’s borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal / short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring external borrowing into future years when long-term borrowing rates are forecast to rise. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2016/17 with a view to keeping future interest costs lower, even if this causes additional cost in the short-term.

Alternatively, the Authority may arrange forward starting loans during 2016/17, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

In addition, the Authority may borrow short-term loans to cover unexpected cash flow shortages.

Any borrowing taken out for more than one year requires the approval of the S151 officer or deputy.

Sources: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- UK public and private sector pension funds (except the Greater Gwent Pension Fund)
- Local Fire or Police authorities
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- operating and finance leases
- hire purchase
- Private Finance Initiative
- sale and leaseback

The Authority has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans, that may be available at more favourable rates.

LGA Bond Agency: UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities may be required to provide bond investors with a joint and several guarantee over the very small risk that other local authority borrowers default on their loans; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to Council.

LOBOs: The Authority holds £13.6m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. These 3 LOBOS all have options during 2016/17, and although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an

element of refinancing risk. The Authority will take the option to repay LOBO loans at no cost if it has the opportunity to do so. Total borrowing via LOBO loans is limited by the debt maturity profile.

Short-term and Variable Rate loans: These loans leave the Authority exposed to the risk of short-term interest rate rises and are therefore subject to the limit on the net exposure to variable interest rates in the treasury management indicators below.

Debt Rescheduling: The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Authority may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk.

Investment Strategy

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Authority's investment balance has ranged between £13 and £39 million. The levels in the forthcoming year are expected to range from £5 to £20m as internal borrowing levels are maximised.

Objectives: Both the CIPFA Code and the WG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Strategy: Given the increasing risk and continued low returns from short-term unsecured bank investments, the Authority will continue to review, with its treasury advisors more secure and/or higher yielding asset classes during 2016/17. Due to the low levels of investment balances available as a result of internal borrowing, the scope for this is not likely to be extensive. The Authorities surplus cash is currently invested in short-term unsecured bank deposits and CDs, deposits with other Local Authorities, t-bills and the DMO and with money market funds.

Approved Counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown. Any formal recommendations received from the Authority's treasury advisors which places additional restrictions on certain counterparties in terms of eligibility or duration of Investments will supersede the limits set below. Investments classified as Non Specified must obtain further approval before implementation see page 9.

Table 2: Approved Investment Counterparties and Limits

Counterparty / Instrument	Instrument Limit of Portfolio	Counterparty Limit of Portfolio	Country Limit	Other Limits	Time Limit (Over 1 Year = Non Specified)
UK Central Government including Debt Mgt deposit facility, Gilts and T Bills.	100%	100%	N/A	N/A	50 Years

Any investment with UK Local Authorities (irrespective of credit rating)	75%	The higher of £2m or 10% of total investments (at the time of deposit)	N/A	NA	2 Years
'Unsecured' investments with Banks, Building Societies, Other Organisations and Securities whose lowest published rating from Fitch, Moody's and S&P's is (A-)	75% of total investments at the time of deposit	Upper limit of £2m.	£4m per foreign country	Limit for negotiable instruments held in Brokers nominee accounts: the lower of 50% or £10m per Broker	6 months
As above but (A)	For Non-UK 50% of total investments at the time of deposit	An additional £1m can be held in the Authority's bank current account to cover the total of credit balances.			13 months
As above but (A+)					2 years
Unsecured Investments with Banks, Building Societies, Other Organisations and Securities whose lowest published rating is BBB+ or lower.	25% of total investments	£1m per Counterparty (Additional £1m total of credit balance's in Authority's current account)	£1m per foreign country	N/A	BBB+ 100 Days BBB (Authority Current Account Only)
Secured Investments with Banks, Building Societies, Other Organisations and Securities, (including Re-po's) whose lowest published rating from Fitch, Moody's and S&P's is (A-)	75% of total investments at the time of deposit (both secured and unsecured) For Non-UK 50% of total investments at the time of deposit (both secured and unsecured)	£4m per counterparty (both secured and unsecured)	£4m per foreign country for all investment types	N/A	13 months
Deposits with unrated UK Building Societies which have been assessed by our Treasury	25% of total investments	£1m per Counterparty	UK only	N/A	100 Days

advisers as comparable with the Building Societies that have an A- credit rating or higher					
Money Market Funds with a Constant Net Asset Value (CNAV) or Variable Net Asset Value if assessed by our Treasury advisers as being of high credit worthiness	50% of total investments at the time of deposit increased to 75% if total investments is £10m or less	The lower of £2m and 10% of total investments rounded up to the next £0.5m; not exceeding 0.50% of MMF size or 2% for Government MMFs	N/A	N/A	N/A
Pooled funds without credit ratings if assessed by our Treasury advisers as being of high credit worthiness	£4m total investment at the time of deposit	£2m per issuer	N/A	N/A	N/A
Investments with UK Registered Providers (e.g. Housing Associations) where the lowest published credit rating is A- or higher	£4m of total investments at the time of deposit.	£2m per issuer	N/A	N/A	5 years

This table must be read in conjunction with the notes below

Credit Rating: Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used.

Banks Unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. Unsecured investment with banks rated BBB are restricted to overnight deposits at the Authority's current account bank.

Banks Secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating

will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

Government: Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is an insignificant risk of insolvency. Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made as part of a diversified pool in order to spread the risk widely. These are included under Secured / Unsecured investments with Banks, Building Societies, Other Organisations in the table above.

Registered Providers: Loans and bonds issued by, guaranteed by or secured on the assets of Registered Providers of Social Housing, formerly known as Housing Associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain a high likelihood of receiving government support if needed.

Pooled Funds: Shares in diversified investment vehicles consisting of any of the above investment types, plus equity shares and property. These funds have the advantage of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a fee. Short-term Money Market Funds that offer same-day liquidity and very low or no volatility will be used as an alternative to instant access bank accounts, while pooled funds whose value changes with market prices and/or have a notice period will be used for longer investment periods.

Bond, equity and property funds offer enhanced returns over the longer term, but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Risk Assessment and Credit Ratings: Credit ratings are obtained and monitored by the Authority's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "rating watch negative" or "credit watch negative") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations, in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in

the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Authority will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Authority’s cash balances, then the surplus will be deposited with the UK Government, via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

Specified Investments: The WG Guidance defines specified investments as those:

- denominated in pound sterling,
- due to be repaid within 12 months of arrangement,
- not defined as capital expenditure by legislation, and
- invested with one of:
 - the UK Government,
 - a UK local authority, parish council or community council, or
 - a body or investment scheme of “high credit quality”.

The Authority defines “high credit quality” organisations and securities as those having a credit rating of A- or higher that are domiciled in the UK or a foreign country with a sovereign rating of AA+ or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of A- or higher.

Non-specified Investments: Any investment not meeting the definition of a specified investment is classed as non-specified. A non-specified investment can only be undertaken after gaining approval by the Authority’s Section 151 officer or deputy and the Authority’s treasury management advisor. The Authority does not intend to make any investments denominated in foreign currencies. Non-specified investments will therefore comprise long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement; those that are defined as capital expenditure by legislation; and investments with bodies and schemes not meeting the definition on high credit quality.

The Authority has set an upper Limit for its non-specified investments in total at:- **£10m**.

An indication of how this might be made up is shown in table 3 below.

Table 3: Non-Specified Investments

	Cash level
Total long-term investments	£0 - 5m
Total shares in pooled funds	£0 - 4m
Total investments without credit ratings or rated below [A-]	£0 - 3m
Total investments (except pooled funds) with institutions domiciled in foreign countries rated below [AA+]	£0m
Total non-specified investments	£10m

Investment Limits: The Authority's revenue reserves available to cover investment losses are forecast to be £16 million on 31st March 2016. The maximum that will be lent to any one organisation (other than the UK Government and Local Authorities) is £4m for secured investments or £2.0 million for unsecured investments to banks & building societies. The amount that is put at risk in the case of a single default should therefore be no more than 25% (secured) or 12.5% (unsecured) of reserves, levels which are considered prudent.

A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits have also been placed on fund managers, investments in brokers' nominee accounts, foreign countries and industry sectors in table 2 above. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Liquidity Management: The Authority uses an excel based cash flow forecasting tool to determine the maximum period for which funds may prudently be committed. Amounts are held on an ongoing basis in instant access accounts to minimise the risk of the Authority being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Security: The Authority has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit score of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, 'AA+'=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

	Target
Portfolio average credit rating / score	A- / 5.0

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures are expressed as the net amount of principal borrowed/invested as follows:

	Existing Level 31.12.15	2015/16 Approved	2016/17 £m	2017/18 £m	2018/19 £m	2019/20 £m
Upper limit on fixed interest rate exposure	49.9	100.0	100.0	100.0	100.0	100.0
Variable Interest Rate exposure on Debt	45.1					
Variable Interest Rate Exposure on Investments	13.1					
Upper Limit on Net Variable Interest Rate Exposure	32	50.0	50.0	50.0	50.0	50.0

Fixed rate investments and borrowings are those where the rate of interest is fixed for at least 12 months, measured from the start of the financial year or the transaction date if later. All other instruments are classed as variable rate.

In the table above, LOBO loans have been classed as fixed rate instruments. The Authority is currently paying a fixed rate of interest. They may be called at each 6 monthly interval, but this outcome is not expected in the current interest rate climate and they could be replaced with a PWLB loan at a lower rate of interest if this did occur.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

	Lower Limit for 2015/16 %	Upper Limit for 2015/16 %	Level at 31/03/15 % - £m	Lower Limit for 2016/17 %	Upper Limit for 2016/17 %
Under 12 months - LOBO's	0	50	23.7% - £13.6m	0	50
Under 12 months - Other			13.2% - £7.6m		
12 months and within 24 months	0	40	5.2% - £3.0m	0	40
24 months and within 5 years	0	45	5.9% - £3.4m	0	45
5 years and within 10 years	0	30	12.0% - £6.9m	0	30
10 years and above	0	100	39.9% - £22.9m	0	100

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment

Principal Sums Invested for Periods Longer than 364 days: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

	2016/17	2017/18	2018/19
Limit on principal invested beyond year end	£5m	£5m	£5m

Other Items

There are a number of additional items that the Authority is obliged by CIPFA or WG to include in its Treasury Management Strategy.

Policy on Use of Financial Derivatives: In the absence of any legal power to do so, the Authority will not use standalone financial derivatives (such as swaps, forwards, futures and options). Derivatives embedded into loans and investments, including pooled funds and forward starting transactions, may be used, and the risks that they present will be managed in line with the overall treasury risk management strategy.

Investment Training: The needs of the Authority's treasury management staff for training in investment management are assessed on an ongoing basis and formerly as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff attend training courses, seminars and conferences provided by Arlingclose and CIPFA.

Investment Advisers: The Authority appointed Arlingclose Limited as treasury management advisers in 2011/12. This contract has come to its end and is currently being retendered for 2016/17. The Authority receives from its treasury management advisors specific advice on investment, debt and capital finance issues. The quality of this service is assessed at the contract tender stage by comparing to other market leaders and their historical track record. It is then monitored by on-going interaction with treasury personnel. The Authority maintains the quality of the service with its advisors by holding quarterly meetings and tendering periodically.

Investment of Money Borrowed in Advance of Need: The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long term value for money. Since amounts borrowed will be invested until spent, the Authority is aware that it will be exposed to the risk of loss of the borrowed sums, and the risk that investment and borrowing interest rates may change in the intervening period. These risks will be managed as part of the Authority's overall management of its treasury risks.

For 2016/17, the total amount borrowed will not exceed the authorised borrowing limit of £134 million.

Financial Implications

The budget for investment income in 2016/17 is £53,000, based on an average investment portfolio of £10 million at an interest rate of 0.5%. The budget for debt interest paid in 2016/17 is £3.5 million, based on an average debt portfolio of £95 million at an average interest rate of 3.5%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

The WG Guidance and the CIPFA Code do not prescribe any particular treasury management strategy for local authorities to adopt. The Head of finance/S151 officer, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed below.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income may be higher / or lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income may be lower / or higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow at long-term fixed interest rates instead of short term	Debt interest costs will rise in the short term but may level out in the medium term; this is unlikely to be offset by higher investment income in the short term	Long-term interest costs may be more certain
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise in the short term and medium term; this is unlikely to be	Higher investment balance leading to a higher impact in the event of a default;

	offset by higher investment income in the short term	however long-term interest costs may be more certain
Borrow more/even shorter-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower but this is more time consuming for the treasury team.	Debt interest costs will reduce in the short term but the benefit will reduce in the medium / long term; long term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income; There is a minimum level of cash that can sensibly be managed due to the uncertainty of cash flow requirements.	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Annex A - Arlingclose Economic & Interest Rate Forecast November 2015

Underlying assumptions:

- UK economic growth softened in Q3 2015 but remained reasonably robust; the first estimate for the quarter was 0.5% and year-on-year growth fell slightly to 2.3%. Negative construction output growth offset fairly strong services output, however survey estimates suggest upwards revisions to construction may be in the pipeline.
- Household spending has been the main driver of GDP growth through 2014 and 2015 and remains key to growth. Consumption will continue to be supported by real wage and disposable income growth.
- Annual average earnings growth was 3.0% (including bonuses) in the three months to August. Given low inflation, real earnings and income growth continue to run at relatively strong levels and could feed directly into unit labour costs and households' disposable income. Improving productivity growth should support pay growth in the medium term. The development of wage growth is one of the factors being closely monitored by the MPC.
- Business investment indicators continue to signal strong growth. However the outlook for business investment may be tempered by the looming EU referendum, increasing uncertainties surrounding global growth and recent financial market shocks.
- Inflation is currently very low and, with a further fall in commodity prices, will likely remain so over the next 12 months. The CPI rate is likely to rise towards the end of 2016.
- China's growth has slowed and its economy is performing below expectations, which in turn will dampen activity in countries with which it has close economic ties; its slowdown and emerging market weakness will reduce demand for commodities. Other possible currency interventions following China's recent devaluation will keep sterling strong against many global currencies and depress imported inflation.
- Strong US labour market data and other economic indicators suggest recent global turbulence has not knocked the American recovery off course. Although the first rise in official interest rates occurred at its meeting in December 2015.
- Longer term rates will be tempered by international uncertainties and weaker global inflation pressure.

Forecast:

- Arlingclose forecasts the first rise in UK Bank Rate in Q3 2016. Further weakness in inflation, and the MPC's expectations for its path, suggest policy tightening will be pushed back into the second half of the year. Risks remain weighted to the downside. Arlingclose projects a slow rise in Bank Rate, the appropriate level of which will be lower than the previous norm and will be between 2 and 3%.
- The projection is for a shallow upward path for medium term gilt yields, with continuing concerns about the Eurozone, emerging markets and other geo-political events, weighing on risk appetite, while inflation expectations remain subdued.
- The uncertainties surrounding the timing of UK and US monetary policy tightening, and global growth weakness, are likely to prompt short term volatility in gilt yields.

	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18
Official Bank Rate													
Upside risk		0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	0.50	0.50
Arlingclose Central Case	0.50	0.50	0.50	0.75	0.75	1.00	1.00	1.25	1.25	1.50	1.50	1.75	1.75
Downside risk				-0.25	-0.25	-0.50	-0.50	-0.75	-0.75	-1.00	-1.00	-1.25	-1.25
3-month LIBID rate													
Upside risk	0.20	0.30	0.30	0.30	0.35	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.40
Arlingclose Central Case	0.55	0.60	0.70	0.80	0.95	1.05	1.15	1.30	1.40	1.55	1.65	1.80	1.85
Downside risk		-0.20	-0.30	-0.45	-0.55	-0.65	-0.80	-0.90	-1.05	-1.10	-1.20	-1.20	-1.20
1-yr LIBID rate													
Upside risk	0.25	0.35	0.35	0.35	0.40	0.40	0.40	0.40	0.45	0.45	0.45	0.45	0.45
Arlingclose Central Case	1.10	1.20	1.35	1.45	1.55	1.70	1.80	1.95	2.00	2.10	2.15	2.15	2.15
Downside risk	-0.15	-0.25	-0.35	-0.50	-0.60	-0.70	-0.85	-0.95	-1.10	-1.15	-1.25	-1.25	-1.25
5-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	1.50	1.55	1.60	1.70	1.80	1.90	2.00	2.10	2.20	2.25	2.30	2.35	2.35
Downside risk	-0.35	-0.45	-0.55	-0.60	-0.70	-0.80	-0.90	-1.00	-1.10	-1.15	-1.20	-1.25	-1.25
10-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.00	2.05	2.10	2.20	2.30	2.40	2.50	2.60	2.65	2.70	2.75	2.80	2.80
Downside risk	-0.35	-0.45	-0.55	-0.60	-0.70	-0.80	-0.90	-1.00	-1.10	-1.15	-1.20	-1.25	-1.25
20-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.45	2.50	2.55	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	2.95	2.95
Downside risk	-0.30	-0.40	-0.50	-0.55	-0.65	-0.75	-0.85	-0.95	-1.05	-1.10	-1.15	-1.20	-1.20
50-yr gilt yield													
Upside risk	0.40	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60
Arlingclose Central Case	2.45	2.50	2.55	2.60	2.65	2.70	2.75	2.80	2.85	2.90	2.95	3.00	3.00
Downside risk	-0.25	-0.35	-0.45	-0.50	-0.60	-0.70	-0.80	-0.90	-1.00	-1.05	-1.10	-1.15	-1.15

Annex B - Existing Investment & Debt Portfolio Position

	31 st December 2015	31 st December 2015
	Actual Portfolio	Average Rate
	£m	%
External Borrowing:		
PWLB - Fixed Rate	40.9	5.7
PWLB - Variable Rate	13.5	0.7
Local Authorities	27.0	0.6
LOBO Loans	13.6	4.8
Total External Borrowing	95.0	3.4
Other Long Term Liabilities:		
PFI / finance lease	0.9	
Other	0.3	
Total Gross External Debt	96.2	
Investments:		
<i>Managed in-house</i>		
Short-term investments	9.2	
Long-term investments	0	
<i>Managed externally</i>		
Money market funds	3.9	
Total Investments	13.1	0.44%
Net Debt	83.1	

Annex C - MRP Statement 2016/17

The Welsh Government's Guidance on Minimum Revenue Provision (issued in 2010) places a duty on local authorities to make a prudent provision for debt redemption. Guidance on Minimum Revenue Provision has been issued by the Welsh Ministers and local authorities are required to "have regard" to such Guidance under section 21(1A) of the Local Government Act 2003.

The four MRP options available are:

- Option 1: Regulatory Method
- Option 2: CFR Method
- Option 3: Asset Life Method
- Option 4: Depreciation Method

Note: This does not preclude other prudent methods.

MRP in 2015/16:

Options 1 and 2 can only be used for supported Non-HRA capital expenditure funded from borrowing (i.e. financing costs deemed to be supported through Revenue Support Grant from Central Government). Methods of making prudent provision for unsupported Non-HRA capital expenditure include Options 3 and 4 (which may also be used for supported Non-HRA capital expenditure if the Authority chooses).

The MRP Statement will be submitted to Council before the start of the 2016/17 financial year. If it is ever proposed to vary the terms of the original MRP Statement during the year, a revised statement should be put to Authority at that time.

The Authority's current policy is to apply Option 2 in respect of supported capital expenditure funded from borrowing. It has set its 2016/17 revenue MTFP on this basis.

The Authority's policy is to apply Option 3 in respect of unsupported capital expenditure funded from borrowing. There are 2 calculation methods which are available within option 3.

- The equal instalment method and
- The annuity method - whereby the MRP element increases over time to reflect a consistent charge over the assets life taking into account the real value of money

Following on from the approval by Council on the 17th December 2015 of a revision to the approach to MRP for unsupported borrowing, the annuity method will tend to be the default calculation, unless there is an overriding reason to use an alternative approach.

MRP in respect of leases and Private Finance Initiative schemes brought on Balance Sheet under the CIPFA Accounting Code of Practice will match the annual principal repayment for the associated deferred liability.