



## ***FULL COUNCIL REPORT***

Date Written	28 <sup>th</sup> June 2021
Report Author	Steve Jones
Service Area	Finance
Exempt/Non Exempt	Non Exempt
Committee Date	14 <sup>th</sup> July 2021

*To: Mayor, Ladies and Gentlemen*

# **Medium Term Financial Plan Update – Financing The Recovery, Transformation And Improvement Plan**

## **1.0 SUMMARY OF THE REPORT**

- 1.1 In supporting the Recovery, Transformation and Improvement Plan it is critical to determine the finance required to enable the successful delivery of priority outcomes within an affordable financial envelope.
- 1.2 In determining a rationale for financial support, workstream Lead Officers' investment requirements were challenged against a set of key questions by both Corporate Management Team and Cabinet.
- 1.3 The full year net investment requirement for 2021/22 totals £802,000 and is proposed to be financed from the revenue outturn surplus reported for 2020/21. The proposed investment requirement for 2022/23 to 2025/26 lies between £675,000 and £800,000 and is proposed to be financed from 'Additional Demands' included within the Medium Term Financial Plan.

## **2.0 RECOMMENDATIONS that**

- 2.1 The proposed investment requirements detailed in Appendix 1 be approved.
- 2.2 To part finance the investment, the utilisation of £312,000 of the Digital Transformation monies received from Welsh Government be approved.

### **3.0 INTRODUCTION AND BACKGROUND**

- 3.1 The Council's Recovery, Transformation and Improvement (RTI) Plan 2020/2025 has been the subject of a number of Council Workshops over the previous number of months.
- 3.2 The themes within the RTI Plan encompass the following workstreams linked to corporate wellbeing objectives and led by a designated Lead Officer:
- Best Start to Life – Education Raising Standards
  - Living Well – Social Services Increased Resilience
  - Working Well – Economic Recovery
  - Environmental Wellbeing – Neighbourhood Services Recovery
  - Cross Cutting – Governance Improvement
  - Cross Cutting – Commercial Programme
  - Cross Cutting – Healthy Organisation
  - Cross Cutting – Digital Transformation
- 3.3 In supporting the RTI Plan it is critical to determine the finance required to enable the successful delivery of priority outcomes within an affordable financial envelope.

### **4.0 FINANCING THE PLAN PROCESS**

- 4.1 Lead Officers were tasked with identifying essential investment requirements to enable the delivery of the specified outcomes within their respective service and cross-cutting workstreams. The required investment was profiled over the 5 year period 2021/22 to 2025/26 together with any financial benefit resulting from the investment.
- 4.2 All investment proposals were scrutinised and challenged by Corporate Management Team (CMT) against the following set of key questions:
- Does the investment support the delivery of the RTI Plan objectives?
  - Does the investment provide either?
    - a) a financial return
    - b) avoidance of future costs
    - c) service resilience
    - d) risk mitigation
    - e) improved performance
  - Does the investment support the achievement of sustainable outcomes?
- 4.3 Investment proposals satisfying the criteria in 4.2 were agreed by CMT and presented to Cabinet for deliberation whereby the key questions challenge process was repeated. In addition, the proposed investment recommended for approval were shared with the Improvement and Assurance Board on 25<sup>th</sup> June 2021.

4.4 Detailed investment proposals are outlined in Appendix 1 and summarised within 'Financial Implications' in Section 5.

## 5.0 FINANCIAL IMPLICATION(S)

5.1 The summary revenue investment requirement for the period 2021/22 to 2025/26 is indicated in Table 1.

Table 1 – Summary Revenue Investment Requirement

Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Improving Standards	203	170	176	100	100
Social Care Resilience	174	144	144	289	362
Environmental Wellbeing	138	136	75	75	75
Commercialisation	138	143	147	151	155
Healthy Organisation	185	172	122	172	122
Digitalisation	150	0	0	0	0
Supporting the Plan	96	123	125	51	52
Funding Secured	-282	-213	-64	-115	-66
<b>Net Revenue Investment</b>	<b>802</b>	<b>675</b>	<b>725</b>	<b>723</b>	<b>800</b>

5.2 It is proposed that the net £802,000 investment requirement for 2021/22 be financed through the revenue outturn surplus of £4.464 million reported to Cabinet on 14<sup>th</sup> July 2021. The recurring investment for the period 2022/23 to 2025/26 is proposed to be financed from the indicative 'Additional Demands' within the Medium Term Financial Plan projected budget deficits. Indicative 'Additional Demands' total £4 million for 2022/23 and £3 million per annum thereafter.

5.3 Funding Secured outlined in Table 1 results from the following approvals, commitments and requests:

- Already approved – Commercial Manager post within the 2021/22 Budget approval process.
- Commitments – Leadership and Management Training together with HR Modules annual maintenance costs funded through the Budget Reserve.
- Digital Transformation monies – £489,513 received from Welsh Government March 2021. Proposed that £312,000 be utilised to finance the Digitalisation requirement, HR modules and in-cab technology for waste/recycling vehicles.

The remaining £177,513 of the Digital Transformation monies will be allocated as further investment requirements are established, assessed and challenged.

## 6.0 INTEGRATED IMPACT ASSESSMENT

	Positive Impacts	Negative Impacts	Neutral/Not Applicable	
<b>1. Merthyr Tydfil Well-being Objectives</b>	4 of 4	0 of 4	0 of 4	
<b>2. Sustainable Development Principles - How have you considered the five ways of working?</b> <ul style="list-style-type: none"> <li>• Long term</li> <li>• Prevention</li> <li>• Integration</li> <li>• Collaboration</li> <li>• Involvement</li> </ul>	5 of 5	0 of 5	0 of 5	
<b>3. Protected Characteristics</b> (including Welsh Language)	0 of 10	0 of 10	10 of 10	
<b>4. Socio-economic Disadvantage</b>	0 of 6	0 of 6	6 of 6	
<b>5. Consultation and Engagement</b>	<b>Undertaken</b>	<b>Due to be Undertaken</b>	<b>Not Required</b>	
	0 of 1	0 of 1	1 of 1	
<b>6. Data and Evidence to inform the proposal</b>	<b>Yes</b>		<b>No</b>	
	1 of 1		0 of 1	
<b>7. Biodiversity and the resilience of Ecosystems</b>	<b>Maintained</b>	<b>Enhanced</b>	<b>Reduced</b>	<b>Neutral/Not Applicable</b>
	0 of 1	0 of 1	0 of 1	1 of 1
<b>Summary</b>				
<b>The main positive impacts are:</b>	The investment proposals support the delivery of the RTI Plan in the achievement of desired outcomes benefitting the whole community within an affordable financial envelope.			
<b>The main negative impacts are:</b>	None identified.			

**ELLIS COOPER**  
**CHIEF EXECUTIVE**

**COUNCILLOR ANDREW BARRY**  
**CABINET MEMBER FOR GOVERNANCE**  
**AND CORPORATE SERVICES**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
Recovery, Transformation, and Improvement Plan 2020-2025		
Lead Officers' Investment Submissions	March 2021 to June 2021	Finance
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		<b>No</b>

***Consultation has been undertaken with the Corporate Management Team in respect of each proposal(s) and recommendation(s) set out in this report.***

**Appendix 1**

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
1	Best Start to Life - Improving Standards	Progress Framework	37	0	0	0	0	Support commissioned to complete work around setting up progress framework for all schools to allow the LA to monitor progress of attainment.
2	Best Start to Life - Improving Standards	School Improvement Lead Officer	95	97	100	100	100	A lead officer to provide LA monitoring, scrutiny, challenge and support to schools re pupil performance and wellbeing - lead role challenging support provided by Central South Consortium.
3	Best Start to Life - Improving Standards	Attendance Improvement Officer	40	40	41	0	0	An attendance improvement officer to focus on targeted challenge, intervention and support in schools with attendance below expected levels.
4	Best Start to Life - Improving Standards	Welsh In Education Officer	31	33	35	0	0	A dedicated officer to support the roll out of the 10 year Welsh Education Strategic Plan (WESP) and Local Authority Welsh Language Strategy
5	Living Well - Social Care Resilience	Review, reset or renew all service models across social services This is more about ensuring that our services deliver the required outcomes for people to keep them independent and to prevent their needs escalating. As services change over time, there may be efficiencies/financial savings but these are too long-term to identify or quantify.	54	54	54	54	54	We need to recruit to a Quality Assurance post across Adults and Children to carry out auditing of cases and focus on lessons learnt from serious care reviews and good practice elsewhere

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
6	Living Well - Social Care Resilience	Analyse and understand our Children Looked After (CLA) cohort and continue implementation of the CLA strategy and closer to home project. Analysis has concluded, increased management capacity needed to ensure we are making the right decisions at the right time. Embed family group offer across the service in a sustainable manner required	90	90	90	90	90	Increase of Team Manager & Family Group Conferencing posts
7	Living Well - Social Care Resilience	Develop an additional extra care facility for Adults. The extra care provision will enable people to remain in their own home. Whilst capital investment is being sourced elsewhere, there is a need to identify revenue funding to deliver the care element of the extra care service. The full revenue costs will not be required in year 1 and will increase as the facility becomes fully occupied.	0	0	0	145	218	Figures have used current extra care (Ty Cwm - 60 Units) for indicative costs - full costing exercise and Business Case would be needed
8	Living Well - Social Care Resilience	Additional sessions to enhance support offered. Capacity of the young carers service is currently at a maximum and the need is 36% in excess of capacity. Longer term scoping is require of future need.	10	0	0	0	0	Young Carers support
9	Living Well - Social Care Resilience	There is a requirement to promote and provide Advocacy services under the Social Services & Wellbeing Act. There is currently no allocated funding to commission these services on behalf of individuals who will require this support to assist them through the assessment process and this was highlighted in the CIW inspection fo Adult services and during the development of the Advocacy	20	0	0	0	0	Initially services will be commissioned on an individual basis to establish the longer term need.

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
10	Environmental Wellbeing	In-cab technology for waste/recycling vehicles	0	100	39	39	39	<p>In-cab technology will improve the efficiency and effectiveness of the collection services by:</p> <ul style="list-style-type: none"> <li>• Enabling crews to record issues more efficiently and effectively and Supervisors to monitor the progress of rounds in real-time</li> <li>• Analyses the performance of rounds to improve productivity</li> <li>• Helps the contact centre resolve calls quickly and effectively</li> <li>• Reduces paperwork</li> <li>• Reduces complaints such as missed collections</li> </ul> <p>Along with savings in staff time, the system should provide financial savings through more fuel efficient rounds, less returns for stated missed collections. *£100,000 capital investment required in 2022/23</p>
11	Environmental Wellbeing	Behaviour Change Officer to integrate WG's Waste strategy Beyond Recycling into schools and the wider community	0	36	36	36	36	<p>In order to achieve current and future WG targets relating to Waste and Decarbonisation, the County Borough's residents must deal with their waste in a sustainable way. A Behavioural Change officer will enable us to identify and deliver Behavioural Change interventions to sectors of the Community that are not recycling and ensure that all residents are dealing with their waste sustainably. Part of their role will be to engage with school children to instil relevant messages at an early age which they will apply throughout their lives.</p> <p>If we increase the amount of waste recycled there will be financial benefits from lower waste treatment costs and more income from material sales in addition to the above benefits.</p>



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**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
12	Environmental Wellbeing	Install one charge point to research the market	5	0	0	0	0	To understand how much demand there is for electric chargers, we want to install a charger in one of our public car parks.
13	Environmental Wellbeing	Identify vehicles suitable to be replace by hybrid/electric, 40 EV Chargers Required	44	0	0	0	0	Awaiting Funding Application decision from WG
14	Environmental Wellbeing	Afon Taf Solar Farm-Preapplication surveys and application	40	0	0	0	0	To finance enablement works and develop the scheme further. This includes planning surveys and grid connection quotations from Western Power. The project will not be able to progress further without these actions being carried out.
15	Environmental Wellbeing	Afon Taf Solar Farm-Production of Outline Business Case	10	0	0	0	0	This investment will allow MTCBC to engage with the Solar Specialist to help develop the Outline Business Case. MTCBC do not have the technical expertise to do this internally.
16	Environmental Wellbeing	Production of Net Zero Carbon Plan and Policy	25	0	0	0	0	This investment will enable MTCBC to appoint an Energy Specialist to produce a MTCBC Net Zero Carbon Plan and Road Map. This plan will be critical in starting off and shaping Decarbonisation in MTCBC.
17	Environmental Wellbeing	Carbon Literacy Training for Managers and Cabinet	10	0	0	0	0	To be successful in Decarbonising all officers & councillors will be expected to contribute to a climate change action plan. This Carbon Literacy training will provide support and information which will ensure staff & Councillors have the necessary knowledge and understanding to help make a meaningful contribution.

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
18	Environmental Wellbeing	Bobs Business Module-Decarbonisation	4	0	0	0	0	This module will educate staff on Decarbonisation and the positive impacts they can make in the workplace to help MTCBC reach our Decarbonisation goals.
19	Working Life - Commercialisation	Commercial Manager	56	58	59	60	61	Already budgeted for within the Capacity Exercise for 2021/22 Budget process
20	Working Life - Commercialisation	Commercial Manager - Additional gross staff cost - increase in grade	5	6	7	8	9	Reflects Job Evaluation - considered and approved at Council 16 June 2021
21	Working Life - Commercialisation	Data and Projects officer	36	37	38	39	40	Creation of Commercial Team - considered and approved at Council 16 June 2021
22	Working Life - Commercialisation	Procurement Officer	41	42	43	44	45	Creation of Commercial Team - considered and approved at Council 16 June 2021
23	Healthy Organisation	Workforce Development Officer	40	40	40	40	40	Creation of the workforce development team to implement the Healthy Organisation Plan and ongoing workforce development and training. This post was identified as part of the independent review of the HR Department, Future HR Service and Current Capacity Report Feb 2021
24	Healthy Organisation	Learning and Development Officer	40	40	40	40	40	Funded via an application to the apprenticeship programme for 2 years. This post was identified as part of the independent review of the HR Department, Future HR Service and Current Capacity Report Feb 2021

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
25	Healthy Organisation	Workforce development Administrative Assistant	29	29	29	29	29	Creation of the workforce development team to implement the Healthy Organisation Plan and ongoing workforce development and training. This post was identified as part of the independent review of the HR Department, Future HR Service and Current Capacity Report Feb 2021
26	Healthy Organisation	HR e-modules	76	13	13	13	13	e-Performance, e-Recruitment and e-Learning Platform modules
27	Healthy Organisation	Leadership and Management Training	0	50	0	50	0	Funding already committed from Budget Reserve for investment in leadership and training of Council managers
28	Digitalisation	Collaboration Project (WCCIS Development) - MTCBC Invest to Improve Upgrades to software and infrastructure to allow more efficient data storage and ways to access data (in line with other Councils, enabling MTCBC to progress with regional digital projects) Production of statutory reports to meet regional and national requirements at the required pace Training and support for MTCBC staff to ensure the transformation is sustainable License costs (as required)	150	0	0	0	0	This is a one off cost from the Welsh Government's digital grant to build on the work done to ensure the Council continues to manage its data effectively and efficiently. This will mitigate any risks of being unable to produce statutory reports e.g. in Social Services. New reporting systems - Staff will have more efficient means to report and be trained in how to use new systems.
29	Supporting Delivery of the Plan	Equalities Officer	40	40	41	41	42	Support and deliver strategic plans e.g. the Corporate Well-being Plan, RTI Plan and Strategic Equalities Plan (SEP). The post will implement changes in legislation and add resilience to the section e.g. by integrating support to the delivery of Welsh language, race equality and community cohesion plans.

**RTI Plan Revenue Investment**

Ref.	Workstream	Description	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Comments
30	Supporting Delivery of the Plan	Performance Improvement Officer (fixed-term 3 years)	46	46	47	0	0	Support and deliver strategic plans (e.g. the Corporate Well-being Plan, RTI Plan and SEP) and add resilience to the section. The post will implement changes in legislation and address Audit Wales recommendations.
31	Supporting Delivery of the Plan	Change Management Officer Social Care (years 2 and 3)	0	27	27	0	0	The post will support and deliver strategic plans (e.g. the RTI Plan) especially in social care to add resilience to the change and performance section and social care teams.
32	Supporting Delivery of the Plan	Supporting the plan - Learning, Development and Challenge There will be elements of training and support for the teams delivering the RTI Plan. This will allow external challenge and requirements of peer assessment in the Local Government and Elections (Wales) Act 2021.	10	10	10	10	10	Support and deliver strategic plans (e.g. the Corporate Well-being Plan, RTI Plan and SEP). This will support the implementation of changes to legislation and add resilience to the section.
<b>Gross Total</b>			<b>1,084</b>	<b>888</b>	<b>789</b>	<b>838</b>	<b>866</b>	
33	Funding Secured	Already Budgeted	-70	-113	-64	-115	-66	Commercial Manager / Leadership and Management Training / HR Modules Maintenance Costs
34	Funding Secured	Digital Transformation Fund	-212	-100	0	0	0	£489,513 received from Welsh Government in 2020/21
<b>Net Total</b>			<b>802</b>	<b>675</b>	<b>725</b>	<b>723</b>	<b>800</b>	