

Agenda

Cabinet



Date: Wednesday, 13 September 2017

Time: 4.00 pm

Venue: Committee Room 1 - Civic Centre

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

Item		Wards Affected
1	<u>Agenda yn Gymraeg</u> (Pages 3 - 4)	
2	<u>Apologies for Absence</u>	
3	<u>Declarations of Interest</u>	
4	<u>Minutes of the Last Meeting</u> (Pages 5 - 10)	
5	<u>Wales Audit Office Annual Improvement Report</u> (Pages 11 - 52)	All Wards
6	<u>Wales Audit Office Governance Review</u> (Pages 53 - 78)	All Wards
7	<u>Newport City Homes Governance Changes</u> (Pages 79 - 86)	All Wards
8	<u>Corporate Plan</u> (Pages 87 - 128)	All Wards
9	<u>Improvement Plan 2016-18: Year End Review</u> (Pages 129 - 184)	All Wards
10	<u>Corporate Risk Register Update</u> (Pages 185 - 228)	All Wards
11	<u>July Revenue Budget Monitor</u> (Pages 229 - 304)	All Wards
12	<u>Capital Budget Monitor</u> (Pages 305 - 318)	All Wards
13	<u>123-129 Commercial Street</u> (Pages 319 - 326)	All Wards
14	<u>Work Programme</u> (Pages 327 - 332)	

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Agenda

Cabinet



Dyddiad: Dydd Mercher, 13 Medi 2017

Amser: 4 y.p.

Lleoliad: Ystafell Bwyllgor 1 – Y Ganolfan Ddinesig

At: Cyngorwyr: D Wilcox (Cadeirydd), P Cockeram, G Giles, D Harvey, R Jeavons, D Mayer, J Mudd, R Truman a M Whitcutt

Eitem		Wardiau Dan Sylw
1	<u>Agenda yn Gymraeg</u>	
2	<u>Ymddiheuriadau am absenoldeb</u>	
3	<u>Datganiadau o fuddiant</u>	
4	<u>Cofnodion</u>	
5	<u>Swyddfa Archwilio Cymru: Adroddiad Gwella Blynyddol</u>	Pob Ward
6	<u>Swyddfa Archwilio Cymru: Llywodraethu Da wrth Benderfynu ar Newidiadau Sylweddol i Wasanaethau</u>	Pob Ward
7	<u>Cartrefi Dinas Casnewydd: Newidiadau Llywodraethu</u>	Pob Ward
8	<u>Cynllun Corfforaethol</u>	Pob Ward
9	<u>Cynllyn Gwella 2017-18: Adolygiad Diwedd Blwyddyn</u>	Pob Ward
10	<u>Diweddariad am y Gofrestr Risg Gorfforaethol</u>	Pob Ward
11	<u>Monitor Cyllideb Refeniw: Gorffennaf</u>	Pob Ward
12	<u>Monitor Cyllideb Cyfalaf: Gorffennaf</u>	Pob Ward
13	<u>123-129 Commercial Street</u>	Pob Ward
14	<u>Rhaglan Waith</u>	Pob Ward

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Minutes



Cabinet

Date: 19 July 2017

Time: 4.00 pm

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

In Attendance: W Godfrey (Chief Executive), M Nicholson and B Owen (Strategic Directors), G Price (Monitoring Officer), R Cornwall (Head of People and Business Change), O James (Assistant Head of Finance).

1 Minutes of the Last Meeting

The minutes of the meeting held on 14 June 2017 were confirmed as a true record.

2 Sale of Friars Walk

The Leader of the Council introduced the report, which set out the details of the sale of Friars Walk, and explained why the deal represented best value for the Council. It was highlighted that the details of the deal had been commercially sensitive and therefore confidential until the matter was concluded, so this full and comprehensive report was being released as a matter of public record at the earliest opportunity.

The Leader highlighted that, although this had been a very complex process, the ultimate outcome was precisely what the Council had set out to achieve – Friars Walk was built and the council received the money to clear the loan provided to Queensbury. The deal also provided for the council to receive further rental income, taking the final repayment to approximately £92million.

The Leader explained the investment subsidy facility of £7.5m, which the Council had agreed to help protect this overall level of income. It was clarified that it was highly unlikely that the facility would be used in full, but in the current economic environment some of the facility may be required to protect rental income in the short term.

The Leader concluded that Friars Walk had changed the face of the city, and was an excellent example of how a council can use its powers to proactively deliver investment. The decision to provide the loan was taken with full transparency and the opening of Friars Walk and the subsequent impact it had had on Newport demonstrated that it was the right decision to take. With the loan repaid the council could now turn its attention to other critical projects to continue the regeneration of the city.

Cabinet Members commented upon the success of the scheme, the difference it had made to the City, and the bold decisions taken by the Council to make it happen. Members also praised the clarity and thoroughness of the report, putting the information into the public domain in an open and accessible way.

Cabinet and the Chief Executive paid particular tribute to all the hard work that had gone into bringing the deal to fruition, and specifically the dedication and professionalism shown by the Head of Law and Regulation, and the Head of Finance, who had both played pivotal roles in brokering the discussions between the key players.

Decision:

To note and endorse the contents of the report regarding the terms and conditions of the sale of Friars Walk.

3 Director of Social Services Annual Report

Before the report was presented, the Leader announced that this would be the final Annual Report of the current Strategic Director – People, Mike Nicholson, as well as his last Cabinet meeting in post. Cabinet paid tribute to Mike's contribution to the city during his time as Strategic Director, and previously in leading Children's Services. Members praised Mike's hard work, commitment and enthusiasm, in serving the Council and in leading the provision of services to some of the most vulnerable people in the city.

The Cabinet Member for Social Services introduced the report, highlighting the ongoing challenges faced by Social Services in meeting people's needs and responding to new referrals within increasingly pressurised budgets.

The Strategic Director – People took Members through the detail within the report, which was a statutory requirement of the Director of Social Services role. The report provided the Director's evaluation of 2016/17 progress in Social Services, identifying improving performance and 'value for money' at a time of austerity, as well as readiness for the requirements of the Social Services and Wellbeing Act. The report took a backward look through the 'Telling the Story' analysis, and a forward look through the SWOT analysis (strengths, weaknesses, opportunities, threats) included in the report.

The Director concluded that the evidence demonstrated the authority was well placed to continue to provide a comprehensive range of services that deliver improved wellbeing outcomes for citizens of Newport.

Finally, the Strategic Director thanked Members for their support, from across the political spectrum, during his time in post, commenting that it had been an immense privilege to have been part of Newport's journey.

Cabinet Members spoke in favour of the report, highlighting the innovation, creativity and enthusiasm of staff in driving forward improvements in Social Services. Members also highlighted the ongoing budgetary pressures, and the need to keep pressure on national and Welsh governments regarding funding for this area. The Leader confirmed that this was something that she was already taking up in her new role as Leader of the WLGA, as the same issues were being faced by Councils across Wales.

Decision:

To receive the Annual Report of the Director of Social Services 2016/17.

4 City of Democracy

The Leader presented the report, asking that Cabinet consider the recommendations contained in the ResPublica report on promoting Newport as the City of Democracy. The Leader outlined that the 10 recommendations covered a wide range of activity – from city

branding to providing more effective ways of engaging our communities in decision making. The Leader highlighted that the “City of Democracy” concept had already attracted a great deal of interest across the city and beyond; and this represented an opportunity for Newport to develop a unique and authentic story to bring everyone together and promote a clear narrative to promote investment into the city.

The Leader reported that partners had already expressed a willingness to contribute towards costs associated with taking the recommendations forward, and the Council’s intention was to continue to look at ways to attract outside funding to do so. Alongside external funding, the Council also already has an existing marketing budget which could also be used to implement the recommendations. The Leader therefore proposed to remove the recommendation in the report to allocate a further £100,000 to the project.

Cabinet Members spoke in favour of the proposal to remove the additional funding, but to continue with the other recommendations with support from existing and external funding sources. Cabinet Members commented upon the importance of celebrating the heritage of the city, while also committing to promote and strengthen local democracy and public engagement in the present day. Members also commented upon the opportunities presented by the proposals in terms of tourism and economic development, by presenting a clear vision for the city’s branding.

Decision:

1. To adopt the headline “City of Democracy” for city branding for use in council publications and media.
2. To support the establishment of a festival of democracy to be held in Newport.
3. To explore further ideas for engagement communities in critical decision making across the city.

5 Newport Economic Network

The Leader presented the report, proposing to establish the Newport Economic Network on a formal basis. The Network was established in 2014 as an informal advisory group on economic growth and a sounding board for partners across the city. The Network had played a vital role in trying to develop the city’s ‘story’, which led to the City of Democracy concept.

The report proposed putting a formal structure in place, including an independent chair. It was highlighted that over the coming years, Newport would need a strong voice as a number of important regional developments came to fruition, including the comprehensive investment promised by the Cardiff Capital Region City Deal; the Great Western Cities Partnership, which is seeking to maximise investment across Newport, Cardiff and Bristol; and the challenges posed by Brexit. Formalising the Network would ensure strong support in pushing Newport to the forefront as these key projects progress.

Speaking as the portfolio holder, the Cabinet Member for Regeneration and Housing was fully supportive of the proposal, and highlighted the great opportunity this presented for stakeholders to engage and work together with us.

Decision:

1. To agree to formalise the Newport Economic Network as set out in this report.
2. To agree the continued participation of Newport City Council in the network.
3. To ask the Chief Executive, in consultation with the Leader, to make arrangements to invite appropriate stakeholder representatives to serve on the network.
4. To agree for council officers to continue to provide appropriate support to the network.

6 Wales Audit Office Action Plan

The Leader presented the latest update on progress against the Wales Audit Office Action Plan, following the recommendations put to us by WAO through the Corporate Assessment. The Leader noted the excellent progress made in addressing the recommendations, particularly highlighting the steps made in meeting recommendation 2 – although there were still 11 actions outstanding against this recommendation, these were expected to be signed off shortly as a result of the new scrutiny structure and processes now in place. These changes had been designed to address the WAO's concerns, and actions would be signed off once the new structure had had time to embed. This work would also be supported by the new portfolio lead for Member Development in the Cabinet, taken up by the Deputy Leader, which was intended to prioritise and push forward training and support for Members.

The Head of People and Business Change supported the Leader's comments, also highlighting the progress made against the recommendations on workforce planning, with the introduction of the new 'Clear Review' appraisal system.

Decision:

1. To note the progress made towards meeting the recommendations and proposals for improvement and query any areas where progress has been delayed.
2. To receive further quarterly monitoring reports on the progress towards meeting recommendations and proposals for improvement.

7 Budget Consultation and Engagement Process

The Leader presented the report setting out the proposed engagement process for this year's budget.

The Leader highlighted the significant progress made in recent years on consultation and engagement, involving more people in financial and service planning decisions, and placing a stronger focus on engagement with harder to reach groups. The new statutory requirements of the Wellbeing of Future Generations Act 2015 reinforced the need to involve a diversity of the population in decisions that affect them, so an effective approach to engagement would ensure the Council's decision making processes were not only legally compliant but also reflected the views and needs of our communities and build on their assets as the Council looked to develop sustainable services in an increasingly challenging financial situation.

It was reported that, over the last three budget cycles the Council received more than 5,600 responses from the public with over 2,600 in the last financial year. But the Leader commented that meaningful engagement was not just about the number of responses, and it was pleasing to note that in their response to the 2017/18 budget the Fairness Commission noted steps forward in Council processes in the wake of austerity measures.

The Leader reiterated the Council's commitment to respond to the challenges of the Act, and the intention to work collaboratively with the public and other stakeholders and where possible giving them more control over decisions. The Leader highlighted examples of services which are now run by stakeholders independently, and also the role for scrutiny in identifying more opportunities to empower communities to help sustain services in the face of continuing financial pressures. The Leader concluded by highlighting that good public engagement was intrinsic to good service delivery, planning and ultimately improving wellbeing, and therefore service areas must take responsibility for engaging with service users when developing proposals for the 2018/19 budget.

Cabinet Members spoke in support of effective engagement with communities, and the commitment to continually review and improve our approach to public engagement.

Decision:

To note and endorse the proposed approach and principles of engagement, including monitoring by Scrutiny.

8 Medium Term Financial Plan

The Leader presented the report on the Medium Term Financial Strategy, based on the current financial outlook.

The Chief Executive highlighted the figures relating to Welsh Government budgets and changes in funding levels in the report (Table 1 and Chart 1), and how this impacted upon the local authority's budgetary pressures. The Leader reiterated comments made earlier in the meeting, regarding the need to maintain pressure on national governments to improve the funding position of local authorities, and her commitment to drive this forward on behalf of this Council working with colleagues from the WLGA.

In response to a question on the impact of cabinet financing costs on the revenue budget (Table 4 in the report), the Assistant Head of Finance confirmed that the percentages shown would not be impacted significantly by the Friars Walk deal. The drop shown in the 2019/20 figure was due to the timing of particular repayments and refinancing of borrowing costs. It was confirmed that the authority continually reviewed borrowing and financing to ensure the best deal possible was in place.

Decision:

1. To approve the current key planning parameters in setting out the current budget gap for 2018/19 and the medium term, noting that this work is subject to refinement.
2. To note and approve the current working strategies officers are working under to provide budget solutions to the current financial challenge.
3. In particular, to approve the working strategy in relation to schools funding in the next financial year which funds school inflation, demographics and school reorganisation pressures whilst noting that this could be reviewed in light of the draft settlement when known;
4. To agree the approach to the one off funding that was allocated to schools from 2016/17 unused contingency budget. This was one off funding which is to be reviewed as part of the 2018/19 budget process;
5. To note the Head of Finance's comments and observations on the current risks facing the budget, how they are being managed and financial resilience issues;
6. To note the current level of reserves, projected use and their utilisation in the context of the medium term.

9 Revenue Budget Monitor

The Leader presented the report, which provided an early indication of the revenue financial forecast position and the issues affecting financial management during 2017/18. The report projected a small overspend, but this was in the context of some significant pressures. The issues highlighted in the report had already been discussed in detail at the previous Cabinet meeting, under the 16/17 outturn report. The Leader reiterated that the administration of the Council remained committed to strong financial management, and promoting the message that everybody, at all levels of the organisation, was responsible for good budgetary control. This message would continue to be cascaded through the organisation in the preparations

for the 2018/19, including a meeting that had already been set up with Head Teachers to discuss the position and approach within schools.

The Assistant head of Finance took Members through some of the technical details in the report before the decisions were taken.

Decision:

1. To note the overall budget forecast position and the key assumptions and issues which underpin and impact on the Council's financial forecast position.
2. To agree to instruct all areas of the Council to maintain robust financial management and bring forward planned underspending wherever possible to mitigate against the current position.
3. To note the level of undelivered savings within each directorate and the risks associated with this.
4. To note the forecast movements in reserves.
5. To agree to allocate £100k of the revenue contingency budget to a new, specific reserve, for 2018 events.
6. To note the projected balances of individual schools over the next two years and that a specific budget seminar for schools will be organised for schools in September to discuss and agree a way forward to the current position.

10 21st Century Schools

The Cabinet Member for Education and Skills presented the report to approve the basis for the Council's submission to Band B of the Welsh Government's 21st Century Schools Programme.

Band B of the programme was due to begin in April 2019 and last until March 2024. The Cabinet Member highlighted the projects which had been completed through Band A of the programme, and the approach that had been taken to putting together and prioritising the Band B submission. It was highlighted that the list had to be prioritised, as the system worked on match funding – this was an ambitious bid based on what the local authority could afford. Decisions on which schools to include had not been taken lightly, and were the result of extensive analysis of the condition and needs of buildings across the school estate.

Decision:

To approve the preferred option as the basis for submitting Newport's Strategic Outline Programme for 21st Century Band B.

11 Cabinet Work Programme

The Leader presented the updated Cabinet Work Programme.

Decision:

To agree the proposed programme.

Report

Cabinet

Part 1

Date: 13 September 2017

Subject Annual Improvement Report 2016/17

Purpose To present Cabinet with the finalised Annual Improvement Report prepared by the Wales Audit Office (WAO). This report describes how the council is meeting its duty to demonstrate continuous improvement under the Local Government Measure (2009).

Author Rhys Cornwall – Head of People and Business Change
Mike Dickie – Business Service Development Manager
Rachel Kalahar – Senior Performance Management Officer

Ward All

Summary

- Each year, the Auditor General must report on how well Welsh councils are planning for improvement and delivering their services. Drawing on the work of the relevant Welsh inspectorates, and the audit work of the Wales Audit Office the report presents a picture of improvement over the last year.
- The Annual Improvement Report is not an exhaustive assessment of all services; rather, it focuses on a range of priorities for improvement.
- The Auditor general has concluded that 'The council is meeting its statutory requirements in relation to continuous improvement'.
- This shows that the council is continuing to improve despite the financial, legislative and population growth challenges that it continues to face.
- A copy of the Annual Improvement Report is appended to this report.

Proposal Cabinet is asked to:

Welcome the findings of the Auditor General in the Annual Improvement Report.
Ensure that the Council is putting in place arrangements to address the issues identified in this report.

Action by Strategic Directors and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Strategic Directors
- Head of Finance

- Monitoring Officer
- Head of People & Business Change
- Chair of Cabinet

Signed

Background

The Local Government Measure introduced a new form of improvement reporting required of the Auditor General that sets out the how well councils are improving their services.

Legislation introduced in April 2010 requires councils to make arrangements to improve their services and the way that they work.

Each year, the Auditor General must report on how well Welsh councils are planning for improvement and delivering their services. Drawing on the work of the relevant Welsh inspectorates, and the audit work of the Wales Audit Office and the Appointed Auditor the report presents a picture of improvement over the last year.

During the course of the year, the Auditor General did not make any new formal recommendations. However, a number of proposals for improvement have been made and these are repeated in this report. Progress against these will be monitored internally and by the Wales Audit Office through their ongoing program of work.

Financial Summary

The financial implications of actions and projects identified by the Annual Improvement Report and other regulatory work will be reported and considered in the normal way, in accordance with the council's financial plans and regulations.

Risks

As with the financial implications above, each individual action and wider Improvement Planning agenda will be subject to risk assessment in its own right and in accordance with the council's policy making procedure.

Links to Council Policies and Priorities

Continuous improvement is central to the Council's ambitions for itself, organisationally, and in terms of its role in advancing the City's reputation and the quality of life for its citizens. A range of core priorities and programmes are influenced by this agenda, including:

- The Corporate Plan
- The Improvement Plan
- The Single Integrated Plan

Options Available and considered

The options available are:

- (a) To consider the Annual Improvement Report and acknowledge the reporting and assessment programme introduced by the Local Government Measure. The Report presents an overview of the current position and provides a platform for future improvement activities.
- (b) To disregard the findings of the report

Preferred Option and Why

The preferred option is (a).

The Annual Improvement Report is an important aspect of the Local Government Measure requirements. It presents an overview of the Council's current position in terms of its improvement programme and strategic ambitions for the organisation and the City as a whole. It forms part of a continuum and provides a context for the Wales Audit Office's work plan.

Comments of Chief Financial Officer

The Improvement Report confirms that the Council has a good track record of managing its budget, with plans in place to further develop the medium-term financial planning arrangements.

In terms of ongoing budgetary pressures and challenges, the Report presents a realistic assessment of the Council's position as it seeks to achieve efficiency savings whilst continuing to provide good and improving services. WAO recognise these pressures and the Council will continue to engage in constructive dialogue with its regulators as it further develops its financial management strategy.

Comments of Monitoring Officer

The details set out in the WAO's Improvement Report reflect the requirements of the current Wales Programme for Improvement and those of the Local Government Measure in terms of the role and responsibility of the Auditor General. These include a responsibility to publish his assessment of each council's arrangements to secure continuous improvement.

This Improvement Report has been produced by the Auditor General for Wales to discharge his duties under section 24 of the Measure. The report also discharges duties under section 19, namely; to issue a report certifying that he has carried out an audit under section 17 and an improvement assessment under section 18.

This new approach for reporting the Council's progress against corporate priorities and strategies presents a platform for further development of meaningful reporting and public engagement.

Comments of Head of People and Business Change

The report presents a balanced picture of the Council continuing to drive its programme of improvement and change, whilst highlighting areas that require further attention to ensure effective outcomes in terms of service users and organisational effectiveness.

There are no direct staffing implications arising from this report. Work programmes associated with the Council's improvement programmes that have future staffing implications will need to be subject to a separate report to the Cabinet Member for People and Business Change.

Comments of Cabinet Member

The Chair of Cabinet has been consulted and has agreed that this report goes forward to Cabinet for consideration

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance

equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

Wellbeing of Future Generations (Wales) Act 2015

The Auditor General helps to ensure that public bodies are held to account for their performance in relation to the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Wales Audit Office consider the Wellbeing of Future Generations (Wales) Act 2015 in the planning and implementation of their work, they provide the council with assurance as well as helping to identify areas for improvement.

The Annual Improvement Report considers how the council is meeting its duty to demonstrate continuous improvement under the Local Government Measure (2009). The Auditor General has stated that the council is meeting its statutory requirements in relation to continuous improvement; this conclusion has been reached after considering the accumulated audit and inspection work that was carried out during 2016/17.

Each review has its own action plan to address proposals for improvement identified in the individual reviews; each action plan considers how to respond to proposals for improvement in a sustainable way that addresses current issues whilst considering long-term needs.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

Appendix 1 – Annual Improvement Report

Dated: August 2017

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WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Adroddiad Gwella Blynyddol 2016-17 Cyngor Dinas Casnewydd

Dyddiad cyhoeddi: Mehefin 2017
Cyfeirnod y ddogfen: 347A2017



Lluniwyd yr Adroddiad Gwella Blynnyddol hwn ar ran Archwilydd Cyffredinol Cymru gan Non Jenkins a Sara-Jane Byrne o dan gyfarwyddyd Huw Rees.

Huw Vaughan Thomas
Archwilydd Cyffredinol Cymru
24 Heol y Gadeirlan
Caerdydd
CF11 9LJ

Mae'r Archwilydd Cyffredinol yn annibynnol ar y llywodraeth ac fe'i penodir gan Ei Mawrhydi y Frenhines. Mae'r Archwilydd Cyffredinol yn ymgymryd â'i waith gan ddefnyddio staff ac adnoddau eraill a ddarperir gan Fwrdd Swyddfa Archwilio Cymru, sef bwrdd statudol a sefydlwyd i'r diben hwnnw ac er mwyn monitro a chynghori'r Archwilydd Cyffredinol. Mae Swyddfa Archwilio Cymru yn atebol i'r Cynulliad Cenedlaethol.

Mae'r Archwilydd Cyffredinol yn archwilio cyrff llywodraeth leol yng Nghymru, gan gynnwys awdurdodau unedol, yr heddlu, gwasanaethau prawf, awdurdodau tân ac achub, awdurdodau'r parciau cenedlaethol a chynghorau cymuned. Y mae hefyd yn cynnal astudiaethau gwerth am arian llywodraeth leol ac yn asesu cydymffurfiaeth â gofynion Mesur Llywodraeth Leol (Cymru) 2009.

Y tu hwnt i lywodraeth leol, yr Archwilydd Cyffredinol yw archwilydd allanol Llywodraeth Cymru a'r cyrff a noddir ganddi a'i chyrrff cyhoeddus cysylltiedig, Comisiwn y Cynulliad a chyrrff y Gwasanaeth Iechyd Gwladol yng Nghymru.

Mae'r Archwilydd Cyffredinol a staff Swyddfa Archwilio Cymru yn anelu i ddarparu adroddiadau cymesur sy'n canolbwyntio ar y cyhoedd ar stiwardiaeth adnoddau cyhoeddus, a thrwy wneud hynny, meithrin dealltwriaeth a hyrwyddo gwelliant.

Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi. We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay.

Cynnwys

Adroddiad cryno

Gwaith archwilio perfformiad 2016-17	4
Mae'r Cyngor yn bodloni ei ofynion statudol mewn perthynas â gwelliant parhaus	4
Argymhellion	5
Gwaith archwilio, rheoleiddio ac arolygu a adroddwyd yn ystod 2016-17	6

Atodiadau

Atodiad 1 – Statws yr adroddiad hwn	10
Atodiad 2 – Llythyr Archwilio Blynyddol	11
Atodiad 3 – Argymhellion adroddiadau cenedlaethol 2016-17	14

Adroddiad cryno

Gwaith archwilio perfformiad 2016-17

- 1 Wrth bennu ehangder y gwaith a gyflawnwyd yn ystod y flwyddyn, ystyriwyd y cyfoeth o wybodaeth a gasglwyd yn sgil archwiliadau ac arolygiadau yn ogystal â ffynonellau eraill o wybodaeth a oedd ar gael, gan gynnwys mecanweithiau Cyngor Dinas Casnewydd (y Cyngor) ei hun i adolygu a gwerthuso. Yn ystod 2016-17, cynhaliom waith asesu gwelliant ym mhob cyngor o dan dair thema: llywodraethu, y defnydd o adnoddau a chynllunio ac adrodd ar welliannau. Mewn rhai cynghorau, ategwyd y gwaith hwn drwy gynnal archwiliadau lleol yn seiliedig ar risg, a nodwyd yng Nghynllun Archwilio 2016-17.
- 2 Nodir y gwaith a gyflawnwyd ers yr Adroddiad Gwella Blynyddol (AGB) diwethaf, gan gynnwys gwaith y rheoleiddwyr perthnasol, yn **Arddangosyn 3**.

Mae'r Cyngor yn bodloni ei ofynion statudol mewn perthynas â gwelliant parhaus

- 3 Ar sail y gwaith a gyflawnwyd gan Swyddfa Archwilio Cymru a rheoleiddwyr perthnasol, a hynny yn unig, mae'r Archwilydd Cyffredinol o'r farn fod y Cyngor yn debygol o gydymffurfio â gofynion y Mesur Llywodraeth Leol (2009) yn ystod 2017-18.

Argymhellion a chynigion ar gyfer gwella

- 4 O ystyried yr amrywiaeth eang o wasanaethau a ddarperir gan y Cyngor a'r heriau o'i flaen, byddai'n anarferol pe na baem yn cael hyd i agweddau y gellid eu gwella. Gall yr Archwilydd Cyffredinol:
 - wneud cynigion ar gyfer gwella – os caiff cynigion eu cyflwyno i'r Cyngor, byddwn yn disgwyl iddo weithredu arnynt ac yn mynd ar drywydd yr hyn sy'n digwydd;
 - gwneud argymhellion ffurfiol ar gyfer gwella – os caiff argymhelliad ffurfiol ei wneud, bydd yn rhaid i'r Cyngor baratoi ymateb i'r argymhelliad hwnnw o fewn 30 diwrnod gwaith;
 - cynnal arolygiad arbennig a chyhoeddi adroddiad a gwneud argymhellion; ac
 - argymhell y dylai Gweinidogion Llywodraeth Cymru ymyrryd mewn rhyw ffordd.
- 5 Ni wnaeth yr Archwilydd Cyffredinol unrhyw argymhellion ffurfiol yn ystod y flwyddyn. Fodd bynnag, cafwyd nifer o gynigion ar gyfer gwella, ac ailadroddir y rhain yn yr adroddiad hwn. Byddwn yn monitro cynnydd yn eu herbyn ac yn erbyn argymhellion perthnasol a wnaed yn ein hadroddiadau cenedlaethol (**Atodiad 3**) yn rhan o'n gwaith asesu gwelliant.

Gwaith archwilio, rheoleiddio ac arolygu a adroddwyd yn ystod 2016-17

Arddangosyn 1: Gwaith archwilio, rheoleiddio ac arolygu a adroddwyd yn ystod 2016-17

Disgrifiad o'r gwaith a wnaed ers yr AGB diwethaf, gan gynnwys gwaith y rheoleiddwyr perthnasol, lle bo hynny'n berthnasol.

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Llywodraethu			
Mawrth 2017	<p>Llywodraethu da wrth benderfynu ar newidiadau i wasanaethau</p> <p>Adolygiad o drefniadau llywodraethu'r Cyngor wrth benderfynu ar newidiadau i wasanaethau.</p>	<p>Mae trefniadau llywodraethu'r Cyngor ar gyfer pennu newid sylweddol i wasanaethau yn gwella, ac mae'r Cyngor yn cydnabod bod angen adnewyddu ei weledigaeth a'i raglen newid er mwyn cryfhau ei drefniadau ymhellach:</p> <ul style="list-style-type: none"> • mae Newport 2020 yn rhoi cyfeiriad lefel uchel ar gyfer newid gwasanaethau, ond mae'r Cyngor yn cydnabod bod angen iddo fireinio'r weledigaeth hon a diweddaru ei raglen newid; • mae trefniadau llywodraethu ar gyfer gwneud penderfyniadau am newidiadau sylweddol i wasanaethau yn glir ac yn cael eu deall yn dda; • mae'r Cyngor yn ystyried ystod o opsiynau pan fydd newidiadau i wasanaethau'n cael eu cynnig ond mae'n cydnabod bod angen gwneud rhagor o waith er mwyn cryfhau ansawdd ei achosion busnes; • mae gan y Cyngor drefniadau effeithiol er mwyn hwyluso ymgysylltiad rhanddeiliaid, ond nid yw'r canfyddiadau sy'n deillio o'r ymgysylltiad bob amser yn cael eu cynnwys yn yr achosion busnes ar gyfer newid gwasanaethau; • mae'r Cyngor yn monitro effaith y newidiadau i wasanaethau, ond nid yw hyn yn systematig; ac • mae'r Cyngor wedi dysgu gwersi o weithredu newidiadau i wasanaethau ac yn cymryd camau i wella effeithiolrwydd ei drefniadau llywodraethu. 	<p>Gellir cryfhau trefniadau llywodraethu'r Cyngor drwy:</p> <p>C1 Adolygu'r rhaglen newid fel ei bod yn cyd-fynd yn well â gweledigaeth gyffredinol y Cyngor ar gyfer newid gwasanaethau.</p> <p>C2 Diffinio'n glir y meini prawf a ddefnyddir i bennu beth sy'n cael ei gynnwys yn y rhaglen newid.</p> <p>C3 Darparu cymorth a hyfforddiant i Aelodau fel bod ganddynt y sgiliau priodol er mwyn ystyried newidiadau i wasanaethau yn y dyfodol.</p> <p>C4 Sicrhau bod y canfyddiadau o'r ymgysylltu ac ymgynghori â rhanddeiliaid yn cael eu cynnwys yn gyson mewn achosion busnes, er gwybodaeth i swyddogion ac aelodau wrth iddynt wneud penderfyniadau.</p> <p>C5 Nodi sut y bydd effaith y newidiadau arfaethedig yn cael eu mesur a'u monitro mewn cynigion ac achosion busnes.</p>

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Defnydd o adnoddau			
Tachwedd 2016	<p>Llythyr archwilio blynyddol 2015-16</p> <p>Mae'r llythyr hwn yn crynhoi'r negeseuon allweddol sy'n codi o gyfrifoldebau statudol yr Archwilydd Cyffredinol o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004 a'i gyfrifoldebau adrodd o dan y Cod Ymarfer Archwilio. Mae'r Llythyr Archwilio Blynyddol yn Atodiad 2 yr adroddiad hwn.</p>	<p>Cydymffurfiodd y Cyngor â'i gyfrifoldebau ynglŷn â chyflwyno adroddiadau ariannol a defnyddio adnoddau.</p> <ul style="list-style-type: none"> mae gan y Cyngor drefniadau priodol ar waith er mwyn sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd yn ei ddefnydd o adnoddau a chyflwynais dystysgrif yn cadarnhau bod yr archwiliad o'r cyfrifon wedi'i gwblhau ar 28 Medi 2016; ac hyd yma nid yw fy ngwaith o ardystio hawliadau a ffurflenni grant wedi nodi materion o bwys a fyddai'n effeithio ar gyfrifon 2016-17 na systemau ariannol allweddol. 	Dim
Mawrth 2017	<p>Cynllunio arbedion</p> <p>Adolygiad o drefniadau'r Cyngor ar gyfer arbedion ariannol, gan gynnwys i ba raddau y mae'n llwyddo i sicrhau'r arbedion angenrheidiol ac a oes ganddo ddulliau cadarn o gynllunio, rheoli a sicrhau arbedion i'r gyllideb, ar gyflymder sy'n cefnogi cydnerthedd ariannol.</p>	<p>Mae gan y Cyngor ddull sy'n effeithiol ar y cyfan, ac sy'n gwella, o gynllunio arbedion, sy'n hybu cydnerthedd ariannol ar gyfer y dyfodol:</p> <ul style="list-style-type: none"> adroddodd y Cyngor ei fod wedi cyflawni 96% o'r arbedion a gynlluniwyd ar gyfer 2015-16 yn ystod y flwyddyn a gall ddangos bod arbedion unigol wedi'u cyflawni; mae gan y Cyngor fframwaith corfforaethol effeithiol ar gyfer cynllunio ariannol ond mae diffyg cynlluniau arbedion dangosol ar gyfer blynyddoedd i ddod; ac mae'r Cyngor yn gwella ansawdd ei achosion busnes ac mae'n rhagweld y bydd yn cyflawni 90% o'r arbedion a gynlluniwyd ar gyfer 2016-17. 	<p>Cryfhau cynllunio ariannol drwy:</p> <ul style="list-style-type: none"> barhau i ddatblygu cysylltiadau mwy amlwg rhwng ei adnoddau a'r blaenoriaethau corfforaethol yn ei Gynllun Ariannol Tymor Canolig (CATC) a'i achosion busnes; datblygu cynlluniau arbedion am gyfnod y Cynllun Ariannol Tymor Canolig; datblygu polisi creu incwm/codi tâl; a gwella ansawdd a chadernid ei achosion busnes.

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Archwiliad perfformiad lleol yn seiliedig ar risg			
Ebrill 2017	Adolygiad dilynol o drefniadau sicrhau ansawdd data	Gallai system newydd y Cyngor ei helpu i wella rheoli perfformiad ond mae gwendidau parhaus yn rhai o'r trefniadau casglu data sy'n tanseilio effeithiolrwydd y system.	<p>Rhaid i'r Cyngor wella cywirdeb ei systemau casglu data drwy:</p> <p>C1 Sicrhau bod dulliau mewnol, dilys, effeithiol o wirio data perfformiad cyn cyflwyno'r data.</p> <p>C2 Mynd i'r afael â chanfyddiadau adolygiad Archwilio Mewnol o drefniadau ansawdd data er mwyn sicrhau bod systemau casglu data ac adrodd ar berfformiad yn gadarn, yn enwedig y rhai sy'n ymwneud â Dangosyddion Strategol Cenedlaethol (DSC) EDU/015b ac EDU/015b.</p> <p>C3 Darparu canlyniadau llawn adolygiad Archwilio Mewnol o drefniadau ansawdd data'r Cyngor i Aelodau, a thrwy hynny eu galluogi i herio'r trefniadau.</p>
Mae cwmpas gweddill y gwaith archwilio perfformiad lleol yn seiliedig ar risg yn cael ei drafod gyda'r Cyngor			

Dyddiad cyhoeddi	Disgrifiad byr	Casgliadau	Cynigion ar gyfer gwella
Cynlluniau ac adroddiadau gwella			
Mai 2016	Archwiliad cynllun gwella blynyddol Swyddfa Archwilio Cymru Adolygiad o'r cynlluniau a gyhoeddwyd gan y Cyngor er mwyn cyflawni ei amcanion gwella.	Mae'r Cyngor wedi cydymffurfio â'i ddyletswyddau statudol o ran cynllunio ar gyfer gwella.	Dim.
Tachwedd 2016	Asesiad archwilio perfformiad blynyddol Swyddfa Archwilio Cymru Adolygiad o asesiad cyhoeddedig y Cyngor o'i berfformiad.	Mae'r Cyngor wedi cydymffurfio â'i ddyletswyddau statudol i adrodd ar welliant.	Dim.
Adolygiadau gan gyrff arolygu a rheoleiddio			
Ni chafwyd adolygiadau gan gyrff archwilio a rheoleiddio yn ystod y cyfnod o dan sylw yn yr adroddiad hwn.			

Atodiad 1

Statws yr adroddiad hwn

O dan Fesur Llywodraeth Leol (Cymru) 2009 (y Mesur), mae'n ofynnol i'r Archwilydd Cyffredinol gynnal asesiad gwella blynyddol sy'n edrych tua'r dyfodol, a chyhoeddi adroddiad gwella blynyddol, ar gyfer pob awdurdod gwella yng Nghymru. Mae gan awdurdodau gwella (a ddiffinnir fel cynghorau, parciau cenedlaethol ac awdurdodau tân ac achub) ddyletswydd gyffredinol i 'wneud trefniadau i sicrhau gwelliant parhaus wrth gyflawni [eu] swyddogaethau'.

Yn yr asesiad o welliant blynyddol, ystyrir pa mor debygol yw hi y bydd awdurdod yn cydymffurfio â'i ddyletswydd i wneud trefniadau i sicrhau gwelliant parhaus. Yr asesiad hefyd yw'r prif ddarn o waith sy'n galluogi'r Archwilydd Cyffredinol i gyflawni ei ddyletswyddau. Staff Swyddfa Archwilio Cymru sy'n llunio'r adroddiad gwella blynyddol, ar ran yr Archwilydd Cyffredinol. Mae'r adroddiad yn cyflawni ddyletswyddau'r Archwilydd Cyffredinol o dan adran 24 o'r Mesur, drwy roi crynodeb o'i waith asesu ac archwilio mewn adroddiad gwella blynyddol cyhoeddedig ar gyfer pob awdurdod. Mae'r adroddiad hefyd yn cyflawni ei ddyletswyddau o dan adran 19, sef cyflwyno adroddiad sy'n ardystio ei fod wedi cynnal asesiad gwella o dan adran 18 ac yn nodi a yw o'r farn (o ganlyniad i'w archwiliad o'r cynllun gwella o dan adran 17) fod yr awdurdod wedi cyflawni ei ddyletswyddau o ran cynllunio ar gyfer gwella o dan adran 15.

O dan rai amgylchiadau gall yr Archwilydd Cyffredinol hefyd gynnal arolygiadau arbennig (o dan adran 21), y bydd yn cyflwyno adroddiad arnynt i'r awdurdod ac i Weinidogion, ac y gall eu cyhoeddi (o dan adran 22). Un o weithgareddau atodol pwysig Swyddfa Archwilio Cymru yw cydgysylltu gwaith asesu a rheoleiddio (sy'n ofynnol o dan adran 23), gan ystyried rhaglen waith gyffredinol pob rheoleiddiwr perthnasol mewn awdurdod gwella. Gall yr Archwilydd Cyffredinol hefyd ystyried gwybodaeth a rennir gan reoleiddwyr perthnasol (o dan adran 33) yn ei asesiadau.

Atodiad 2

Llythyr Archwilio Blynyddol

Mr Will Godfrey
Prif Weithredwr
Cyngor Dinas Casnewydd
Y Ganolfan Ddinesig
Heol Godfrey
Casnewydd
NP20 4UR

Cyfeirnod: AV11/caf

Dyddiad cyhoeddi: 29 Tachwedd 2016

Annwyl Will

Llythyr Archwilio Blynyddol – Cyngor Dinas Casnewydd 2015-16

Mae'r llythyr hwn yn crynhoi'r negeseuon allweddol sy'n deillio o'm cyfrifoldebau statudol o dan Ddeddf Archwilio Cyhoeddus (Cymru) 2004 a'm cyfrifoldebau adrodd o dan y Cod Ymarfer Archwilio.

Cydymffurfiodd y Cyngor â'i gyfrifoldebau sy'n ymwneud â chyflwyno adroddiadau ariannol a defnyddio adnoddau

Cyfrifoldeb y Cyngor yw:

- rhoi systemau rheolaeth fewnol ar waith er mwyn sicrhau rheoleidd-dra a chyfreithlondeb trafodion a sicrhau bod ei asedau'n ddiogel;
- cadw cofnodion cyfrifyddu cywir;
- paratoi Datganiad Cyfrifon yn unol â gofynion perthnasol; a
- sefydlu ac adolygu'n barhaus drefniadau priodol er mwyn sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd o ran ei ddefnydd o adnoddau.

Mae Deddf Archwilio Cyhoeddus (Cymru) 2004 yn ei gwneud yn ofynnol i ni:

- roi barn archwilio ar y datganiadau cyfrifyddu;
- adolygu trefniadau'r Cyngor er mwyn sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd yn ei ddefnydd o adnoddau; a
- rhoi tystysgrif yn cadarnhau ein bod wedi cwblhau'r broses o archwilio'r cyfrifon.

Mae awdurdodau lleol yng Nghymru yn paratoi eu datganiadau cyfrifyddu yn unol â gofynion Cod Ymarfer CIPFA/LASAAC ar Gyfrifyddu Awdurdodau Lleol yn y Deyrnas Unedig. Mae'r cod hwn yn seiliedig ar y Safonau Adrodd Ariannol Rhyngwladol. Ar 28 Medi 2016 cyflwynais farn archwilio ddiamod ar y datganiadau cyfrifyddu, gan gadarnhau eu bod yn rhoi darlun cywir a theg o sefyllfa a thrafodion ariannol y Cyngor. Mae fy adroddiad wedi'i gynnwys yn y Datganiad Cyfrifon. Nodwyd y materion allweddol sy'n deillio o'r archwiliad o gyfrifon i aelodau'r Pwyllgor Archwilio yn fy adroddiad ar yr Archwiliad o Ddatganiadau Ariannol ar 22 Medi 2016 a bydd adroddiad mwy manwl yn dilyn maes o law.

Rwy'n fodlon bod gan y Cyngor drefniadau priodol ar waith er mwyn sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd o ran ei ddefnydd o adnoddau

Mae fy ystyriaeth o drefniadau'r Cyngor er mwyn sicrhau darbodusrwydd, effeithlonrwydd ac effeithiolrwydd wedi'i seilio ar y gwaith archwilio a wnaed ar y cyfrifon yn ogystal â dibynnu ar y gwaith a gwblhawyd dan Fesur Llywodraeth Leol (Cymru) 2009. Bydd yr Archwilydd Cyffredinol yn tynnu sylw at feysydd lle nad yw effeithiolrwydd y trefniadau hyn wedi'i ddangos hyd yn hyn neu lle y gellid gwneud gwelliannau, pan fydd yn cyhoeddi ei Adroddiad Gwella Blynyddol.

Cyhoeddais dystysgrif yn cadarnhau bod yr archwiliad o'r cyfrifon wedi'i gwblhau ar 28 Medi 2016

Ni fu unrhyw her na gwrthwynebiad y bu'n rhaid i mi ymdrin â hwy.

Hyd yma nid yw fy ngwaith o ardystio hawliadau a ffurflenni grant wedi nodi materion o bwys a fyddai'n effeithio ar gyfrifon 2016-17 na systemau ariannol allweddol.

Mae cyfran fawr o'm gwaith archwilio ceisiadau grant y Cyngor yn gyflawn ac ar amser i'w gwblhau erbyn diwedd mis Rhagfyr 2016. Nid oes unrhyw faterion neu broblemau arwyddocaol wedi codi o'r gwaith hwn hyd yma.

Bydd adroddiad manylach ar fy ngwaith ardystio grantiau yn dilyn yn Rhagfyr 2016 pan fydd rhaglen gwaith ardystio eleni wedi'i chwblhau.

Ar hyn o bryd, disgwylir i'r ffi archwilio ariannol ar gyfer 2015-16 fod yn unol â'r ffi y cytunwyd arni ac a nodwyd yn y Cynllun Archwilio Blynnyddol. Fodd bynnag, cymrodd peth o'n gwaith fwy o amser na'r disgwyl. Pan fydd ein holl waith wedi'i gwblhau, byddwn yn trafod sefyllfa'r ffi derfynol gyda'r Pennaeth Cyllid.

Yr eiddoch yn gywir

Anthony Veale

Ar gyfer ac ar ran Archwilydd Cyffredinol Cymru

cc: Meirion Rushworth – Pennaeth Cyllid

Cynghorydd D Wilcox – Arweinydd y Cyngor

Atodiad 3

Argymhellion adroddiadau cenedlaethol 2016-17

Arddangosyn 3: argymhellion adroddiadau cenedlaethol 2016-17

Crynodeb o'r cynigion ar gyfer gwella sy'n berthnasol i lywodraeth leol, a gynhwyswyd mewn adroddiadau cenedlaethol a gyhoeddwyd gan Swyddfa Archwilio Cymru, ers cyhoeddi'r Adroddiad Gwella Blynyddol diwethaf.

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
Awst 2016	Cydnherthedd Ariannol Awdurdodau Lleol yng Nghymru 2015-16	<p>Yn ein hadroddiad ar gyfer 2014-15 (Cydnherthedd Ariannol Cyngorau yng Nghymru, Ebrill 2015), gwnaed sawl argymhelliad i awdurdodau lleol. Mae llawer o'r argymhellion hyn yn parhau i fod yn berthnasol ac mae angen i awdurdodau wneud gwaith pellach i ymdrin â hwy yn ystod 2016-17. Yn ogystal â hyn, gwnaed yr argymhellion canlynol yn seiliedig ar ein hadolygiad mwy diweddar:</p> <p>A1 Dylai awdurdodau lleol atgyfnerthu eu trefniadau cynllunio ariannol drwy:</p> <ul style="list-style-type: none">• ddatblygu cysylltiadau mwy eglur rhwng y Cynllun Ariannol Tymor Canolig (CATC) a'u cynlluniau gwasanaeth a'u blaenoriaethau corfforaethol;• alinio strategaethau eraill allweddol fel cynlluniau rheoli'r gweithlu a rheoli asedau â'r CATC;• datblygu cynlluniau arbed cynhwysfawr aml-flwydd ac ynddynt gostau llawn, sydd yn trafod ac yn sail ar gyfer cyfnod y CATC, nid ar gyfer y gyllideb flynyddol sydd ar ddod yn unig;• rhannu cynigion arbed yn categorïau fel bo modd monitro'r newid oddi wrth arbedion traddodiadol tuag at arbedion trawsnewidiol dros gyfnod y CATC; a• sicrhau bod yr amserlenni ar gyfer sicrhau arbedion penodol yn realistig, a bod atebolrwydd dros eu cyflawni wedi'i ddyrannu'n briodol. <p>A2 Dylai awdurdodau lleol ddatblygu polisiau corfforaethol ar gyfer cynhyrchu incwm a chodi tâl.</p> <p>A3 Dylai cyngorau sicrhau bod ganddynt strategaeth gynhwysfawr ar gyfer cronfeydd wrth gefn, sy'n amlinellu diben penodol cronfeydd wrth gefn defnyddiadwy cronedig, ac effaith y rhain a'r defnydd ohonynt yn y CATC.</p> <p>A4 Dylai awdurdodau lleol ddatblygu dangosyddion perfformiad allweddol i fonitro'r CATC.</p> <p>A5 Dylai awdurdodau lleol sicrhau bod cynlluniau arbed yn cynnwys digon o fanylion er mwyn sicrhau bod aelodau'n deall yn glir yr hyn y bwriedir ei gyflawni drwy'r cynlluniau, a bod modd craffu'n briodol ar y cynlluniau hynny drwy gydol y flwyddyn.</p> <p>A6 Dylai awdurdodau lleol sicrhau bod digon o gapasiti a gallu corfforaethol i gefnogi cyflawniad y cynlluniau arbed yn y CATC ar y cyflymder angenrheidiol.</p>

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
Hydref 2016	Diogelwch Cymunedol yng Nghymru	<p>Roedd angen i amrywiaeth o randdeiliaid – sef Llywodraeth Cymru, Tîm y Swyddfa Gartref yng Nghymru, comisiynwyr yr heddlu a throseddu, aelodau bwrdd gwasanaethau cyhoeddus ac awdurdodau lleol – gymryd camau unigol ac ar y cyd er mwyn ymateb i'r saith argymhelliad yn yr adroddiad hwn:</p> <p>A1 Gwellu gwaith cynllunio strategol er mwyn cydgysylltu gweithgarwch ar gyfer diogelwch cymunedol yn well drwy gyflwyno strategaeth genedlaethol i ddisodli'r fframwaith cynllunio presennol, a chefnogi hynny â chynlluniau lleol a rhanbarthol sy'n canolbwyntio ar gyflawni'r blaenoriaethau cenedlaethol cytunedig o ran diogelwch cymunedol.</p> <p>A2 Gwellu gwaith partneriaeth strategol drwy greu byrddau diogelwch cymunedol effeithiol yn ffurfiol i ddisodli strwythurau diogelwch cymunedol presennol. Dylai'r byrddau newydd hyn ffurfioli a chyfuno gwaith Llywodraeth Cymru, heddluoedd, awdurdodau lleol, byrddau iechyd, awdurdodau tân ac achub, WACSO a rhanddeiliaid allweddol eraill.</p> <p>A3 Gwellu gwaith cynllunio drwy greu cynlluniau gweithredu cynhwysfawr sy'n trafod gwaith yr holl bartneriaid, ac yn nodi'n glir sut y gellir cyfrannu at gyflawni'r blaenoriaethau cenedlaethol ar gyfer diogelwch cymunedol, yn lleol ac yn rhanbarthol.</p> <p>A4 Adolygu'r trefniadau presennol ar gyfer ariannu grantiau a symud tuag at gyllidebau cyfun ac iddynt ymrwymiadau ariannu tymor hwy er mwyn helpu cyrrff cyflawni i wella gwaith cynllunio prosiectau a'r gweithlu gan ganolbwyntio ar gyflawni blaenoriaethau'r strategaeth diogelwch cymunedol genedlaethol.</p> <p>A5 Sicrhau bod perfformiad o ran diogelwch cymunedol yn cael ei reoli'n effeithiol drwy wneud y canlynol:</p> <ul style="list-style-type: none"> • pennu mesurau priodol ar bob lefel i alluogi aelodau, swyddogion a'r cyhoedd i farnu ynghylch cynnydd wrth gyflawni camau gweithredu ar gyfer gwasanaethau diogelwch cymunedol; • sicrhau bod gwybodaeth am berfformiad yn ymdrin â gwaith yr holl asiantaethau perthnasol; a • sefydlu dulliau mesur i farnu ynghylch mewnbwn, allbwn ac effaith, fel bo modd deall effaith penderfyniadau buddsoddi a chefnogi gwaith goruchwyllo a chraffu. <p>A6 Diwygio'r systemau ar gyfer rheoli diogelwch cymunedol a chyflwyno trefniadau monitro ac adolygu sy'n canolbwyntio ar roi sicrwydd i'r cyhoedd bod yr arian a gaiff ei wario ar ddiogelwch cymunedol yn creu canlyniadau gwell i bobl yng Nghymru.</p> <p>A7 Gwellu'r dull o ymgysylltu a chyfathrebu â dinasyddion drwy fyrdau gwasanaeth cyhoeddus wrth:</p> <ul style="list-style-type: none"> • ddatblygu cynlluniau a blaenoriaethau ar gyfer diogelwch cymunedol; • cytuno ar flaenoriaethau ar gyfer gweithredu; ac • adrodd ar berfformiad a gwerthuso effaith.

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
Tachwedd 2016	<u>Trefniadau Awdurdodau Lleol i godi tâl am wasanaethau a chynhyrchu incwm</u>	<p>Gwnaed wyth argymhelliad yr adroddiad hwn, yr oedd yn ofynnol i awdurdodau lleol weithredu ynghylch chwech ohonynt. Roedd yn ofynnol i Lywodraeth Cymru a Chymdeithas Llywodraeth Leol Cymru weithredu ynghylch Argymhellion A4 ac A6:</p> <p>A1 Datblygu fframweithiau strategol ar gyfer cyflwyno ac adolygu taliadau, gan greu cysylltiad pendant rhyngddynt â'r Cynllun Ariannol Tymor Canolig a'r Cynllun Corfforaethol.</p> <p>A2 Adolygu'r costau fesul uned a chyfanswm y gost o ddarparu gwasanaethau dewisol er mwyn nodi unrhyw ddiffygion yn glir a, lle bo angen, gosod targedau i wella'r sefyllfa weithredu gyfredol.</p> <p>A3 Defnyddio'r rhestr wirio asesu effaith bob tro wrth ystyried newid taliadau.</p> <p>A5 Canfod cyfleoedd i gaffael cwmnïau o'r sector preifat i gasglu taliadau, er mwyn gwella effeithlonrwydd a darbodusrwydd wrth gasglu incwm.</p> <p>A7 Gwella'r trefniadau ar gyfer rheoli perfformiad, llywodraethu ac atebolrwydd drwy:</p> <ul style="list-style-type: none"> • adrodd unrhyw newidiadau i daliadau i'r pwyllgor(au) craffu; • gwella gwaith monitro er mwyn cael dealltwriaeth well o effaith newidiadau i ffioedd a thaliadau ar alwad, a chyflawniad amcanion; • meincnodi a chymharu perfformiad ag eraill yn fwy trwyadl; a • darparu gwybodaeth fwy cynhwysfawr i aelodau etholedig fel bo modd gwneud penderfyniadau cadarn. <p>A8 Gwella'r trefniadau ar gyfer rhagweld incwm o daliadau drwy gynllunio senarios a dadansoddi sensitifrwydd.</p>

Dyddiad yr adroddiad	Teitl yr adolygiad	Argymhelliad
Ionawr 2017	<u>Y Modd y Mae Awdurdodau Lleol yn Ariannu Gwasanaethau'r Trydydd Sector</u>	<p>Gwnaed tri argymhelliad yn yr adroddiad hwn, yr oedd yn ofynnol i awdurdodau lleol weithredu ynghylch dau ohonynt. Roedd yn ofynnol i Lywodraeth Cymru weithredu ynghylch A3:</p> <p>A1 Er mwyn cael y gorau o benderfyniadau ariannu, mae angen i awdurdodau lleol a chyrrff y trydydd sector sicrhau bod ganddynt y trefniadau a'r systemau cywir ar waith i gefnogi eu gwaith â'r trydydd sector. Er mwyn cynorthwyo awdurdodau lleol a chyrrff y trydydd sector i ddatblygu eu harferion gwaith, argymhellir y dylai swyddogion awdurdod lleol a'r trydydd sector ddefnyddio'r <u>Rhestr wirio i sicrhau bod awdurdodau lleol yn ymgysylltu â'r trydydd sector ac yn gweithio gydag ef yn effeithiol</u> i:</p> <ul style="list-style-type: none"> • hunanwerthuso ymgysylltu, rheoli, perfformiad ac arferion cyfredol o ran y trydydd sector; • canfod lle mae angen gwella'r trefniadau cydweithio; a • drafftio a rhoi cynllun gweithredu ar waith ar y cyd er mwyn ymdrin â'r bylchau a'r gwendidau a welwyd wrth hunanwerthuso. <p>A2 Mae trefniadau rheoli perfformiad gwael yn gwanio atebolrwydd ac yn cyfyngu'r gallu i graffu'n effeithiol ar weithgarwch a pherfformiad y trydydd sector. Er mwyn atgyfnerthu'r oruchwyliaeth dros y trydydd sector, argymhellir y dylai aelodau etholedig graffu ar y rhestr wirio adolygu a gwblhawyd gan swyddogion, a herio perfformiad swyddogion a'r awdurdod lleol yn rheolaidd wrth ymateb i fylchau a gwendidau.</p>

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Annual Improvement Report 2016-17

Newport City Council

Issued: June 2017

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This Annual Improvement Report has been prepared on behalf of the Auditor General for Wales by Non Jenkins and Sara-Jane Byrne under the direction of Huw Rees.

**Huw Vaughan Thomas
Auditor General for Wales
Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ**

The Auditor General is independent of government, and is appointed by Her Majesty the Queen. The Auditor General undertakes his work using staff and other resources provided by the Wales Audit Office, which is a statutory board established for that purpose and to monitor and advise the Auditor General. The Wales Audit Office is held to account by the National Assembly.

Together with appointed auditors, the Auditor General audits local government bodies in Wales, including unitary authorities, police, probation, fire and rescue authorities, national parks and community councils. He also conducts local government value for money studies and assesses compliance with the requirements of the Local Government (Wales) Measure 2009.

Beyond local government, the Auditor General is the external auditor of the Welsh Government and its sponsored and related public bodies, the Assembly Commission and National Health Service bodies in Wales.

The Auditor General and staff of the Wales Audit Office aim to provide public-focused and proportionate reporting on the stewardship of public resources and in the process provide insight and promote improvement.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg. This document is also available in Welsh.

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Summary report

2016-17 performance audit work

- 1 In determining the breadth of work undertaken during the year, we considered the extent of accumulated audit and inspection knowledge as well as other available sources of information including Newport City Council's (the Council) own mechanisms for review and evaluation. For 2016-17, we undertook improvement assessment work at all councils under three themes: governance, use of resources, and improvement planning and reporting. At some councils, we supplemented this work with local risk-based audits, identified in the Audit Plan for 2016-17.
- 2 The work carried out since the last Annual Improvement Report (AIR), including that of the relevant regulators, is set out in [Exhibit 3](#).

The Council is meeting its statutory requirements in relation to continuous improvement

- 3 Based on, and limited to, the work carried out by the Wales Audit Office and relevant regulators, the Auditor General believes that the Council is likely to comply with the requirements of the Local Government Measure (2009) during 2017-18.

Recommendations and proposals for improvement

- 4 Given the wide range of services provided by the Council and the challenges it is facing, it would be unusual if we did not find things that can be improved. The Auditor General is able to:
 - make proposals for improvement – if proposals are made to the Council, we would expect it to do something about them and we will follow up what happens;
 - make formal recommendations for improvement – if a formal recommendation is made, the Council must prepare a response to that recommendation within 30 working days;
 - conduct a special inspection, and publish a report and make recommendations; and
 - recommend to ministers of the Welsh Government that they intervene in some way.
- 5 During the course of the year, the Auditor General did not make any formal recommendations. However, a number of proposals for improvement have been made and these are repeated in this report. We will monitor progress against them and relevant recommendations made in our national reports ([Appendix 3](#)) as part of our improvement assessment work.

Audit, regulatory and inspection work reported during 2016-17

Exhibit 1: audit, regulatory and inspection work reported during 2016-17

Description of the work carried out since the last AIR, including that of the relevant regulators, where relevant.

Issue date	Brief description	Conclusions	Proposals for improvement
Governance			
March 2017	<p>Good governance when determining service changes</p> <p>Review of the Council's governance arrangements for determining service changes.</p>	<p>The Council's governance arrangements for determining significant service change are improving, and it recognises that its vision and change programme needs to be refreshed to strengthen its arrangements further:</p> <ul style="list-style-type: none"> • Newport 2020 provides a high-level direction for service change, but the Council recognises it needs to refine this vision and update its change programme; • the Council's governance arrangements for significant service change decision-making are clear and well-understood; • the Council considers a range of options when service changes are proposed but recognises further work is required to strengthen the quality of its business cases; • the Council has effective arrangements to facilitate stakeholder engagement, but findings from its engagement are not always presented within business cases for service change; • the Council monitors the impact of service changes, but this is not systematic; and • the Council has learnt from implementing service changes and is taking steps to improve the effectiveness of its governance arrangements. 	<p>The Council's governance arrangements could be strengthened by:</p> <p>P1 Reviewing its change programme so that it is better aligned to its overall vision for service change.</p> <p>P2 Clearly defining the criteria it will use to decide what is included in its change programme.</p> <p>P3 Providing support and training to Members to equip them with the appropriate skills to consider future service changes.</p> <p>P4 Ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making.</p> <p>P5 Setting out how the impact of proposed changes will be measured and monitored in proposals and business cases.</p>

Issue date	Brief description	Conclusions	Proposals for improvement
Use of resources			
November 2016	<p>Annual audit letter 2015-16</p> <p>Letter summarising the key messages arising from the Auditor General's statutory responsibilities under the Public Audit (Wales) Act 2004 and his reporting responsibilities under the Code of Audit Practice. The Annual Audit Letter is in Appendix 2 of this report.</p>	<p>The Council complied with its responsibilities relating to financial reporting and use of resources.</p> <ul style="list-style-type: none"> the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources, and I issued a certificate confirming that the audit of the accounts has been completed on 28 September 2016; and my work to date on certification of grant claims and returns has not identified any significant issues that would impact on the 2015-16 accounts or key financial systems. 	None.
March 2017	<p>Savings planning</p> <p>Review of the Council's financial savings arrangements, including how well it is delivering the required savings and whether it has robust approaches to plan, manage and deliver budget savings, at a pace that supports financial resilience.</p>	<p>The Council has a largely effective and improving savings planning approach, which supports future financial resilience:</p> <ul style="list-style-type: none"> the Council has reported achievement of 96% of its planned 2015-16 savings in year and can demonstrate that individual savings have been delivered; the Council has an effective financial planning framework but lacks indicative savings plans for future years; and the Council is improving the quality of its business cases and is forecasting that it will achieve 90% of its 2016-17 savings plans. 	<p>Strengthen financial planning arrangements by:</p> <ul style="list-style-type: none"> continuing to develop more explicit links between its resources and its corporate priorities within its Medium Term Financial Plan (MTFP) and its business cases; developing savings plans to cover the period of the MTFP; developing an income generation/charging policy; and improving the quality and robustness of its business cases.

Issue date	Brief description	Conclusions	Proposals for improvement
Local risk-based performance audit			
April 2017	Follow-up review of data quality assurance arrangements	The Council's new system could help it improve performance management but continuing weaknesses in some data capture arrangements undermine its effectiveness.	<p>The Council must improve the accuracy of its data capture systems by:</p> <p>P1 Ensuring there are effective internal validation checks of performance data prior to data submission.</p> <p>P2 Addressing the findings from Internal Audit's review of data quality arrangements to ensure data capture systems and performance reporting are robust, particularly those relating to National Strategic Indicators (NSIs) EDU/015b and EDU/015b.</p> <p>P3 Providing members with the full results of Internal Audit's review of the Council's data quality arrangements, thereby enabling members to challenge the arrangements.</p>
The scope of the remaining local risk based performance audit work is being discussed with the Council			

Issue date	Brief description	Conclusions	Proposals for improvement
Improvement planning and reporting			
May 2016	Wales Audit Office annual improvement plan audit Review of the Council's published plans for delivering on improvement objectives.	The Council has complied with its statutory improvement planning duties.	None.
November 2016	Wales Audit Office annual assessment of performance audit Review of the Council's published performance assessment.	The Council has complied with its statutory improvement reporting duties.	None.
Reviews by inspection and regulation bodies			
No reviews by inspection and regulation bodies have taken place during the time period covered in this report.			

Appendix 1

Status of this report

The Local Government (Wales) Measure 2009 (the Measure) requires the Auditor General to undertake a forward-looking annual improvement assessment, and to publish an annual improvement report, for each improvement authority in Wales. Improvement authorities (defined as local councils, national parks, and fire and rescue authorities) have a general duty to 'make arrangements to secure continuous improvement in the exercise of [their] functions'.

The annual improvement assessment considers the likelihood that an authority will comply with its duty to make arrangements to secure continuous improvement. The assessment is also the main piece of work that enables the Auditor General to fulfil his duties. Staff of the Wales Audit Office, on behalf of the Auditor General, produce the annual improvement report. The report discharges the Auditor General's duties under section 24 of the Measure, by summarising his audit and assessment work in a published annual improvement report for each authority. The report also discharges his duties under section 19 to issue a report certifying that he has carried out an improvement assessment under section 18 and stating whether (as a result of his improvement plan audit under section 17) he believes that the authority has discharged its improvement planning duties under section 15.

The Auditor General may also, in some circumstances, carry out special inspections (under section 21), which will be reported to the authority and Ministers, and which he may publish (under section 22). An important ancillary activity for the Auditor General is the co-ordination of assessment and regulatory work (required by section 23), which takes into consideration the overall programme of work of all relevant regulators at an improvement authority. The Auditor General may also take account of information shared by relevant regulators (under section 33) in his assessments.

Appendix 2

Annual Audit Letter

Mr Will Godfrey
Chief Executive
Newport City Council
Civic Centre
Godfrey Road
Newport
NP20 4UR

Reference: AV11/caf

Date issued: 29 November 2016

Dear Will

Annual Audit Letter – Newport City Council 2015-16

This letter summarises the key messages arising from my statutory responsibilities under the Public Audit (Wales) Act 2004 and my reporting responsibilities under the Code of Audit Practice.

The Council complied with its responsibilities relating to financial reporting and use of resources

It is the Council's responsibility to:

- put systems of internal control in place to ensure the regularity and lawfulness of transactions and to ensure that its assets are secure;
- maintain proper accounting records;
- prepare a Statement of Accounts in accordance with relevant requirements; and
- establish and keep under review appropriate arrangements to secure economy, efficiency and effectiveness in its use of resources.

The Public Audit (Wales) Act 2004 requires me to:

- provide an audit opinion on the accounting statements;
- review the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources; and
- issue a certificate confirming that I have completed the audit of the accounts.

Local authorities in Wales prepare their accounting statements in accordance with the requirements of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom. This Code is based on International Financial Reporting Standards. On 28 September 2016 I issued an unqualified audit opinion on the accounting statements confirming that they present a true and fair view of the Council's financial position and transactions. My report is contained within the Statement of Accounts. The key matters arising from the accounts audit were reported to members of the Audit Committee in my Audit of Financial Statements report on 22 September 2016, and a more detailed report will follow in due course.

I am satisfied that the Council has appropriate arrangements in place to secure economy, efficiency and effectiveness in its use of resources

My consideration of the Council's arrangements to secure economy, efficiency and effectiveness has been based on the audit work undertaken on the accounts as well as placing reliance on the work completed under the Local Government (Wales) Measure 2009. The Auditor General will highlight areas where the effectiveness of these arrangements has yet to be demonstrated or where improvements could be made when he publishes his Annual Improvement Report.

I issued a certificate confirming that the audit of the accounts has been completed on 28 September 2016

There have been no challenge or objection issues that I have had to deal with.

My work to date on certification of grant claims and returns has not identified any significant issues that would impact on the 2015-16 accounts or key financial systems

A large proportion of my work on the audit of the Council's grant claims is complete and on schedule for completion by the end of December 2016. There have been no significant issues or problems arising from this work to date.

A more detailed report on my grant certification work will follow in December 2016 once this year's programme of certification work is complete.

The financial audit fee for 2015-16 is currently expected to be broadly in line with the agreed fee set out in the Annual Audit Plan. However, some of our work took longer than expected. Once all our work is complete, we will discuss the final fee position with the Head of Finance.

Yours sincerely

Anthony Veale

For and on behalf of the Auditor General for Wales

cc: Meirion Rushworth – Head of Finance
Councillor D Wilcox – Council Leader

Appendix 3

National report recommendations 2016-17

Exhibit 3: national report recommendations 2016-17

Summary of proposals for improvement relevant to local government, included in national reports published by the Wales Audit Office, since publication of the last AIR.

Date of report	Title of review	Recommendation
August 2016	<u>Financial Resilience of Local Authorities in Wales 2015-16</u>	<p>In our report of 2014-15 (The Financial Resilience of Councils in Wales, April 2015) we made a number of recommendations for local authorities. Many of these recommendations remained relevant and required further work from authorities to address them during 2016-17. In addition, we also made the following recommendations based on our more recent review:</p> <p>R1 Local authorities should strengthen their financial-planning arrangements by:</p> <ul style="list-style-type: none"> • developing more explicit links between the Medium Term Financial Plan (MTFP) and its corporate priorities and service plans; • aligning other key strategies such as workforce and asset management plans with the MTFP; • developing comprehensive multi-year fully costed savings plans which underpin and cover the period of the MTFP, not just the forthcoming annual budget; • categorising savings proposals so that the shift from traditional-type savings to transformational savings can be monitored over the period of the MTFP; and • ensuring timescales for the delivery of specific savings proposals are realistic and accountability for delivery is properly assigned. <p>R2 Local authorities should develop corporate income generation and charging policies.</p> <p>R3 Local authorities should ensure that they have a comprehensive reserves strategy, which outlines the specific purpose of accumulated useable reserves and the impact and use of these in the MTFP.</p> <p>R4 Local authorities should develop key performance indicators to monitor the MTFP.</p> <p>R5 Local authorities should ensure that savings plans are sufficiently detailed to ensure that members are clear as to what the plans are intended to deliver and that the delivery of those plans can be scrutinised appropriately throughout the year.</p> <p>R6 Local authorities should ensure that corporate capacity and capability are at a level that can effectively support the delivery of savings plans in the MTFP at the pace required.</p>

Date of report	Title of review	Recommendation
October 2016	<u>Community Safety in Wales</u>	<p>The seven recommendations within this report required individual and collective action from a range of stakeholders – the Welsh Government, Home Office Wales Team, police and crime commissioners, public service board members and local authorities:</p> <p>R1 Improve strategic planning to better co-ordinate activity for community safety by replacing the existing planning framework with a national strategy supported by regional and local plans that are focused on delivering the agreed national community-safety priorities.</p> <p>R2 Improve strategic partnership working by formally creating effective community-safety boards that replace existing community-safety structures that formalise and draw together the work of the Welsh Government, police forces, local authorities, health boards, fire and rescue authorities, WACSO and other key stakeholders.</p> <p>R3 Improve planning through the creation of comprehensive action plans that cover the work of all partners and clearly identify the regional and local contribution in meeting the national priorities for community safety.</p> <p>R4 Review current grant-funding arrangements and move to pooled budgets with longer-term funding commitments to support delivery bodies to improve project and workforce planning that focuses on delivering the priorities of the national community-safety strategy.</p> <p>R5 Ensure effective management of performance of community safety by:</p> <ul style="list-style-type: none"> • setting appropriate measures at each level to enable members, officers and the public to judge progress in delivering actions for community-safety services; • ensuring performance information covers the work of all relevant agencies; and • establishing measures to judge inputs, outputs and impact to be able to understand the effect of investment decisions and support oversight and scrutiny. <p>R6 Revise the systems for managing community-safety risks and introduce monitoring and review arrangements that focus on assuring the public that money spent on community safety is resulting in better outcomes for people in Wales.</p> <p>R7 Improve engagement and communication with citizens through public service boards in:</p> <ul style="list-style-type: none"> • developing plans and priorities for community safety; • agreeing priorities for action; and • reporting performance and evaluating impact.

Date of report	Title of review	Recommendation
November 2016	<u>Charging for Services and Generating Income by Local Authorities</u>	<p>This report made eight recommendations, of which six required action from local authorities. Recommendations R4 and R6 required action from the Welsh Government and Welsh Local Government Association:</p> <p>R1 Develop strategic frameworks for introducing and reviewing charges, linking them firmly with the MTFP and the Corporate Plan.</p> <p>R2 Review the unit and total costs of providing discretionary services to clearly identify any deficits and, where needed, set targets to improve the current operating position.</p> <p>R3 Use the impact assessment checklist whenever changes to charges are considered.</p> <p>R5 Identify opportunities to procure private sector companies to collect charges to improve efficiency and economy in collecting income.</p> <p>R7 Improve management of performance, governance and accountability by:</p> <ul style="list-style-type: none"> regularly reporting any changes to charges to scrutiny committee(s); improving monitoring to better understand the impact of changes to fees and charges on demand, and the achievement of objectives; benchmarking and comparing performance with others more rigorously; and providing elected members with more comprehensive information to facilitate robust decision making. <p>R8 Improve the forecasting of income from charges through the use of scenario planning and sensitivity analysis.</p>
January 2017	<u>Local Authority Funding of Third Sector Services</u>	<p>This report made three recommendations, of which two required action from local authorities. Recommendation R3 required action from the Welsh Government:</p> <p>R1 To get the best from funding decisions, local authorities and third-sector bodies need to ensure they have the right arrangements and systems in place to support their work with the third sector. To assist local authorities and third-sector bodies in developing their working practices, we recommend that local-authority and third-sector officers use the <u>Checklist for local authorities effectively engaging and working with the third sector</u> to:</p> <ul style="list-style-type: none"> self-evaluate current third-sector engagement, management, performance and practice; identify where improvements in joint working are required; and jointly draft and implement an action plan to address the gaps and weaknesses identified through the self-evaluation. <p>R2 Poor performance management arrangements are weakening accountability and limiting effective scrutiny of third-sector activity and performance. To strengthen oversight of the third sector, we recommend that elected members scrutinise the review checklist completed by officers, and regularly challenge performance by officers and the local authority in addressing gaps and weaknesses.</p>

Wales Audit Office

24 Cathedral Road

Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru

24 Heol y Gadeirlan

Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn Testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

Report

Cabinet

Part 1

Date: 13 September 2017

Subject **WAO Good governance when determining significant service changes report**

Purpose To advise cabinet of the findings from the Wales Audit Office's review of the council's governance arrangements when determining significant service changes report.

Author Rhys Cornwall – Head of People and Business Change
Mike Dickie – Business Service Development Manager
Rachel Kalahar – Senior Performance Management Officer

Ward All

Summary The Wales Audit Office has conducted a review of governance arrangements around significant service changes

- It is pleasing to note that no recommendations were made as a result of this review
- The Council's governance arrangements could be strengthened by:
 - P1 reviewing its change programme so that it is better aligned to its overall vision for service change;
 - P2 clearly defining the criteria it will use to decide what is included in its change programme;
 - P3 providing support and training to Members to equip them with the appropriate skills to consider future service changes;
 - P4 ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and
 - P5 setting out how the impact of proposed changes will be measured and monitored in proposals and business cases
- The council's management response is also included; this identifies actions to address the proposals for improvement

Proposal **To consider the contents of the Good Governance when determining significant service changes report, and the proposed actions to address the proposals for improvement**

Action by Business Improvement and Performance Team

Timetable immediate

This report was prepared after consultation with:

- Heads of Service
- Operational Performance Network

Signed

Background

The Wales Audit office carried out a review of the governance arrangements in place for making significant changes to services.

Good governance is essential for the effective stewardship of public money and the continued delivery of efficient and trusted public services. The current financial climate and reduced settlements for local government as well as rising demand for some services mean that all councils are likely to continue to need to make decisions regarding the future configuration and level of service delivery.

The WAO concluded 'concluded that the Council's governance arrangements for determining significant service change are improving, and it recognises that its vision and change programme needs to be refreshed to strengthen its arrangements further.

It is pleasing to note that no recommendations were made as a result of this review

The WAO have advised the following proposals for improvement;

The Council's governance arrangements could be strengthened by:

- P1 reviewing its change programme so that it is better aligned to its overall vision for service change;
- P2 clearly defining the criteria it will use to decide what is included in its change programme;
- P3 providing support and training to Members to equip them with the appropriate skills to consider future service changes;
- P4 ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and
- P5 setting out how the impact of proposed changes will be measured and monitored in proposals and business cases

The council has responded to this by compiling an action plan to address the proposals for improvement that have been identified.

Financial Summary

- There are no direct financial implications to this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Changes to services not aligned to the council's overall vision	H	M	The management response to the WAO's report addresses this issue	HoS, Directors
Non-compliance with the Wellbeing of future generations act	H	M	Aligning the change programme with the wellbeing objectives and ensuring that the longer term impact of decisions is considered so that the needs of current generations can be met without effecting the ability of future generations to meet their needs.	HoS, service managers,

Weakened Governance arrangements	M	L	The management response includes an action plan to address the proposals for improvement.	HoS, service managers,
Inconsistent use of public engagement and consultation	M	L	The management response to the WAO's report addresses this issue	HoS, Service Managers
Uncertainty of the impact of service changes	M	M	The management response to the WAO's report addresses this issue	HoS, Service Managers

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Good governance is essential for the effective stewardship of public money and the continued delivery of efficient and trusted public services.

Options Available and considered

- a) To consider the contents of the Good Governance when determining significant service changes, and the proposed actions to address the proposals for improvement
- b) Reject the proposed actions or ask for further information

Preferred Option and Why

The preferred option is a. to initiate the action plan to address the proposals for improvement.

Comments of Chief Financial Officer

There are no financial implications arising from the report as all the actions identified will be contained within existing approved budgets

Comments of Monitoring Officer

There are no specific legal issues arising from the Report. It is pleasing to note that the WAO review recognises that the Council's governance arrangements for determining significant service changes are improving and there are no recommendations contained in their final Report. These governance arrangements will be further strengthened once the new Corporate Plan has been adopted, as this will provide strategic vision and direction for the delivery of service improvements and meeting well-being objectives, as part of the change programme. Further refinement will also be made to improve the financial business case model and the process of engagement with key stakeholders as part of the change process, in accordance with well-being principles. Member training and development is a key requirement of the Local Government Measure and this should provide members with the key skills to effectively engage in the change process and critically scrutinise the need for, and impact of, proposed service changes. A successful programme of induction training has been delivered following the local elections and Democratic Services Committee will oversee the development of an on-going programme of member training, tailored to individual roles and responsibilities.

Comments of Head of People and Business Change

The 'Good governance when determining significant service changes' report provides a balanced view of the council's governance arrangements and provides a baseline from which we can initiate further

improvement. The development of the corporate plan and integral wellbeing objectives will provide the framework for planning future service changes. The management response to the WAO's report identifies actions that will address the proposals for improvement.

Comments of Cabinet Member

The report author is to confirm that the Cabinet Member has approved the report for consideration by cabinet.

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. In exercising its functions, the Council must have due regard to the need to: eliminate unlawful discrimination, harassment, victimisation and other conduct that is prohibited by the Act; advance equality of opportunity between persons who share a protected characteristic and those who do not; and foster good relations between persons who share a protected characteristic and those who do not. The Act is not overly prescriptive about the approach a public authority should take to ensure due regard, although it does set out that due regard to advancing equality involves: removing or minimising disadvantages suffered by people due to their protected characteristics; taking steps to meet the needs of people from protected groups where these differ from the need of other people; and encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

Wellbeing of Future Generations (Wales) Act 2015

The Auditor General helps to ensure that public bodies are held to account for their performance in relation to the requirements of the Wellbeing of Future Generations (Wales) Act 2015. The Wales Audit Office consider the Wellbeing of Future Generations (Wales) Act 2015 in the planning and implementation of their work, they provide the council with assurance as well as helping to identify areas for improvement.

The 'Good governance when determining significant service changes' report provides a baseline from which the council can strengthen its governance and considers how well placed the council is to respond to future challenges.

The proposed action plan to address the proposals for improvement directly references how the adoption of the wellbeing objectives and the sustainable development principle will drive improvement in this area and provide a holistic framework of overarching organisational priorities.

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

Set out a list of any relevant background papers and whether they are available to the public.

Dated: September 2017



Management Response

Local Authority: Newport City Council

Report title: Good governance when determining significant service changes

Issue date: March 2017

Document reference: 244A2017

Ref	Proposal for Improvement	Intended outcome/benefit	High priority (yes/no)	Accepted (yes/no)	Management response	Completion date	Responsible officer
The Council's governance arrangements for service change could be strengthened by:							
P1	Reviewing its change programme so that it is better aligned to its overall vision for service change;	The Council has a clearly defined change programme to support the delivery of its overall vision.	Yes	Yes	<p>Actions identified:</p> <ul style="list-style-type: none">The council intends to review its change programme to align it with its strategic vision and corporate strategy. <p>Due to the local government elections, the corporate plan will be developed with the post-election administration to align with their manifesto. The priorities of the corporate plan will incorporate the Wellbeing objectives to provide an integrated and holistic set</p>	Nov 17	Head of People and Business Change

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Ref	Proposal for Improvement	Intended outcome/ benefit	High priority (yes/no)	Accepted (yes/no)	Management response	Completion date	Responsible officer
					of objectives and will be underpinned by the specifics set out in the strategic Newport 2020 document. The Change programme will be developed in order to align with the overall vision outlined in the Corporate Plan and Newport 2020.		
P2	Clearly defining the criteria it will use to decide what is included in its change programme;	Clear criteria are used to determine what is covered by the Council's change programme to ensure it focuses on those areas relevant to its vision.	Yes	Yes	Actions identified: <ul style="list-style-type: none"> The criteria for inclusion in the change programme will be developed and agreed at an officer and political level, considering public engagement and feedback, and the sustainability principle of the WFG Act. 	Nov 17	Head of People and Business Change
P3	Providing support and training to Members to equip them with the appropriate skills to consider future service changes;	Members are equipped to consider and challenge service change proposals and options appraisals effectively.	Yes	Yes	Actions identified: <ul style="list-style-type: none"> The Democratic Services Committee has agreed the basis of an induction/ training programme post-election 2017 Individual training and development plans will include development of skills for decision-makers assessing options for service delivery changes and Scrutiny members effectively challenging and evaluating the outcomes of those service changes. 	May 17 and On-going	Head of Law and Regulation

Ref	Proposal for Improvement	Intended outcome/ benefit	High priority (yes/no)	Accepted (yes/no)	Management response	Completion date	Responsible officer
					<ul style="list-style-type: none"> Review of Scrutiny arrangements for partnerships as the shape of the council continues to change. 		
P4	Ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and	To ensure members take account of the findings from stakeholder engagement when considering service change proposals and decisions.	Yes	Yes	Actions identified: <ul style="list-style-type: none"> The guidance for business case production will be strengthened to ensure that the findings from stakeholder engagement and consultation are consistently included in business cases; this will be assured as part of the council's business case assurance process. Changes to the FEIA process to support this. 	Nov 17	Head of People and Business Change
P5	Setting out how the impact of proposed changes will be measured and monitored in proposals and business cases.	To strengthen and improve the transparency of impact monitoring arrangements to facilitate a greater understanding of the impact of service changes.	Yes	Yes	Actions identified: <ul style="list-style-type: none"> The impact of proposed changes will be measured and monitored as part of the existing change programme governance process. In addition to the Financial Improvement Plan which currently measures and monitors the financial impact of proposed changes, a performance improvement plan will also be developed, in order to monitor all of the non-financial impacts. The identification of measures will be 	Nov 17	Head of People and Business Change

Ref	Proposal for Improvement	Intended outcome/benefit	High priority (yes/no)	Accepted (yes/no)	Management response	Completion date	Responsible officer
					included as part of the business case.		



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Good Governance when Determining Significant Service Changes – **Newport City Council**

Audit year: 2016-17

Date issued: March 2017

Document reference: 141A2017

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at info.officer@audit.wales.

The team who delivered the work comprised Sara-Jane Byrne, Ron Price and Non Jenkins under the direction of Jane Holownia

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The Council monitors the impact of service changes, but this is not systematic	12
The Council has learnt from implementing service changes and is taking steps to improve the effectiveness of its governance arrangements	13

Summary report

Summary

- 1 Governance is about how public bodies ensure that they are doing the right things, in the right way, for the right people, in a timely, inclusive, open, honest and accountable manner. It comprises the systems and processes, and cultures and values, by which public bodies are directed and controlled, and through which they account to, engage with and, where appropriate, lead their communities¹.
- 2 Good governance is essential for the effective stewardship of public money and the continued delivery of efficient and trusted public services. The current financial climate and reduced settlements for local government as well as rising demand for some services mean that all councils are likely to continue to need to make decisions regarding the future configuration and level of service delivery. It is appropriate that public bodies continuously seek to improve. Small, incremental changes to service delivery are made at a managerial and operational level as part of normal, operational decision-making. However, good governance supported by effective planning and rigorous processes is critical when determining significant service changes. Such decisions are often controversial, generate considerable local interest and can have significant impacts on the individuals and groups affected.
- 3 From April 2016, councils are required to comply with the Well-being of Future Generations (Wales) (WFG) Act and associated Statutory Guidance. The Statutory Guidance states that: 'Together, the seven well-being goals and five ways of working provided by the Act are designed to support and deliver a public service that meets the needs of the present without compromising the ability of future generations to meet their own needs'². This legislation emphasises the importance of effective governance in achieving well-being goals.
- 4 The focus of this review is on the effectiveness of the Newport City Council's (the Council) governance arrangements for determining significant service changes. We define this as any significant change in delivering services and/or any significant change in how services are experienced by external service users. This could include, for example, significant changes to the way the service is delivered, the level of service provided, the availability of the service, or the cost of the service.

¹ CIPFA/SOLACE Delivering Good Governance in Local Government: Framework 2007

² Shared Purpose: Shared Future, Statutory guidance on the Well-being of Future Generations (Wales) Act 2015, Welsh Government

- 5 Taking the Chartered Institute of Public Finance and Accountancy's (CIPFA) revised framework for 'Delivering good governance in local government' as an appropriate standard, this review provides the Council with a baseline, from which to plan further improvement. In this assessment, undertaken during the period September to November 2016, we looked at aspects of decision-making arrangements in relation to a range of significant service change proposals. The examples of service changes we looked at included:
- Review of double handling cases (Adult Services) – Review and reduce the number of calls to service users that require two care workers
 - Trade Waste – review of charges and increase number of contracts
 - Rationalisation of internal mental health day care service provision
 - Increased cardboard collection service to residents
 - Review and transform the public library services within the City
 - Closure of New Willows (residential respite service for adults with a learning disability) and re-provide respite options
 - Home to School Transport
- 6 We did not look in detail at each of the individual service change decisions, but rather used them as examples to draw from and inform how the Council goes about making decisions in relation to service changes. We also considered other service changes, which we were made aware of during the course of our fieldwork.
- 7 In this review, we concluded that the **Council's governance arrangements for determining significant service change are improving, and it recognises that its vision and change programme needs to be refreshed to strengthen its arrangements further.**

Proposals for improvement

Exhibit 1: proposals for improvement

The table below sets out the areas of improvement identified through our review.

Proposals for improvement	
The Council's governance arrangements could be strengthened by:	
P1	reviewing its change programme so that it is better aligned to its overall vision for service change;
P2	clearly defining the criteria it will use to decide what is included in its change programme;
P3	providing support and training to Members to equip them with the appropriate skills to consider future service changes;
P4	ensuring that the findings from stakeholder engagement and consultation are consistently included in business cases to inform officer and member decision-making; and
P5	setting out how the impact of proposed changes will be measured and monitored in proposals and business cases.

Detailed report

The Council's governance arrangements for determining significant service change are improving, and it recognises that its vision and change programme needs to be refreshed to strengthen its arrangements further

Newport 2020 provides a high-level direction for service change, but the Council recognises it needs to refine this vision and update its change programme

- 8 Newport 2020 sets out the Council's high-level direction for its service changes, and how the following key guiding principles and themes, which underpin the Council's ongoing transformation, will contribute to the changes and savings required:
 - Better use of technology
 - Ability to generate more income
 - How can it use community capacity more effectively?
 - How can it manage demand as the city grows and resources reduce?
 - What potential alternative delivery models could it consider putting in place?
 - What is the vision for each service by 2020 and how will it judge whether it has succeeded?
- 9 Newport 2020 supersedes the Council's previous 'Prospectus for Change', which was published in September 2013. Newport 2020 was developed by the Council's services and endorsed by the Council's Cabinet in February 2016. The Council did not undertake public engagement on the development of Newport 2020, although it did take account of previous public consultation undertaken, for example through its budget process.
- 10 The Council's change programme, which is referenced frequently within Newport 2020, its medium term financial plan, and budget reports, but it is not clear from the Council's website what this programme includes. Neither Newport 2020 nor the change programme are easily accessible on the Council's website. The criteria for what is included within the Council's change programme is also not made clear and this needs to be better defined.

- 11 The inception of the change programme pre-dates the development of Newport 2020. We understand that the change programme now essentially includes the Council's budget savings proposals rather than focusing on a wider programme of change and benefits beyond savings. The Council has not updated its change programme to reflect Newport 2020.
- 12 During our review, it was evident that there was limited member ownership of Newport 2020. The Council recognises that it needs to review and reshape its change programme to align it more closely with its new vision. We understand that the Council's Senior Leadership Team has been actively discussing this. The Council has indicated that it will redefine the Corporate Plan and Newport 2020 following the Local Government Elections in May 2017; this will establish new objectives, which will be underpinned by the Council's change programme.

The Council's governance arrangements for service change are clear and well-understood

- 13 The Council has a clear governance framework for determining service changes. It has a Change Board and supporting portfolio boards consisting of senior officers, which provide mechanisms to consider service change and budget proposals. Although Members are not involved in these boards, there is good engagement of Cabinet Members in considering service change proposals through Cabinet Members' regular meetings with their relevant directors and heads of service.
- 14 The Council's decision-making process is set out on its website and we found that Members and officers clearly understand their roles and responsibilities in determining service change. These are broadly set out in the Council's constitution.
- 15 Members and officers we interviewed were clear about who makes decisions about service changes and consulted the Monitoring Officer if they have any queries about decision-making powers. The Council's Monitoring Officer, Head of Finance and other key officers, such as the Equalities Officer and Head of People and Business Change, review all decision-making reports, including those relating to service change proposals. The Council has a Policy and Partnerships team, which screens reports for adherence to key duties, such as those relating to Welsh Language, Equalities and WFG. However, our review of the Council's progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations suggested that scrutiny reports would also benefit from greater quality assurance.
- 16 We also concluded in our review of the Council's progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations that the value of scrutiny was not yet being maximised. It is pleasing to note that the Council is now beginning to address this. New chairs of scrutiny are in place and they are clearly passionate about their roles in service change and are committed to working together more closely.

- 17 The Council is putting in place mechanisms to ensure that decisions regarding service change take account of the WFG Act and the sustainable development principle. It has set up a cross-party WFG working group. It has also updated its templates for its reports, impact assessments, business cases and service plans to reflect the requirements of the Act. The Council has undertaken considerable work to develop ward profiles, which it is actively using to inform its service change proposals and well-being assessment. There has been focused training for officers and members on the WFG Act, and the Council is continuing to build up knowledge of the Act within the organisation. The Head of People and Business Change reviews all Cabinet and Council reports and returns them to the author if they do not appropriately consider the sustainable development principle. The Council has commissioned consultants to assess its current position in relation to its response to the requirements of the WFG Act. This work is currently underway and the consultants are due to report their findings to the Council in March 2017. However, whilst Members and officers have had some training on the WFG Act and equalities duties there has been no specific training to build capability around service change issues, for example on challenging options appraisals.

The Council considers a range of options when service changes are proposed, but recognises further work is required to strengthen the quality of its business cases for service change

- 18 We found that the Council considers a range of options for service change and has learnt from examples in the past, where this hadn't always been the case. In our Corporate Assessment and Follow-up reports, we recommended that the Council should ensure that members are routinely and transparently considering robust information at the earliest opportunity to enable them to inform, take and challenge choices and decisions effectively, and ensure that decisions are recorded and reported transparently. This includes the consideration of:
- options appraisals; and
 - the implications of the options, recommendations and decisions.
- 19 The Council's report template reminds officers that 'All reports to the Council meeting; the Cabinet and Cabinet Members that are seeking a decision, or decisions; must include reference to all options considered; options appraisals and implications of options, as well as the preferred option.' The report template includes sections for officers to set out the options available, those that are considered, and to identify the preferred option and the reason for selection. Our review of a sample of reports found that they contained options for Members to consider and recommended a specific option, which is a key improvement.
- 20 The Council's business case template, which it uses for its service change and budget savings proposals, includes a range of criteria including costs, the impact on performance and users, and risks. However, it does not articulate how

proposals impact upon the Council's priorities and vision. The Council has indicated that it will strengthen the links between priorities and its vision when it develops its new Corporate Plan after the Local Government Elections in May 2017.

- 21 Our review of a sample of completed business cases found that whilst they have improved, quality continues to vary. Not all business cases include comparative information or clear information about costs. The Members we interviewed as part of this review stated that they were now pushing back reports to officers when they felt that information was not sufficient. In our financial resilience report issued to the Council in February 2017, we have included related proposals for improvement for the Council to strengthen its business cases. The Council recognises there is scope to improve its business cases and it has enhanced its screening and challenge process as part of its 2017-18 budget process.
- 22 During our review, Members stated that sometimes officers put forward options that they consider politically unpalatable, but we believe it is positive that officers are doing this to maintain their impartiality and so that all options are set out for Members to make an informed decision.
- 23 Service change proposals are subject to pre-decision scrutiny and there are a number of examples, such as the libraries and the Shared Resource Services³ service changes, where the Council has set up policy review groups to look at these service changes in more detail before it takes a decision on them.
- 24 The Council's Change Board and portfolio boards provide an opportunity for officers to challenge service change proposals. The Council has a Business Improvement Team, which has a role in screening and challenging service change proposals. The Council's Senior Leadership Team also spent considerable time reviewing all service change proposals as part of the 2017-18 budget process.

The Council has effective arrangements to facilitate stakeholder engagement but findings from its engagement are not always presented within business cases

- 25 The Council publishes all of its budget savings and service change proposals as part of its budget consultation process and has a number of arrangements in place to engage and inform stakeholders of these proposals. This includes its [Involve Newport Citizens Panel](#), Youth Council and Carers Forum, as well as through its Newport Matters newsletter. However, the Council recognises that its Citizens Panel is no longer representative of its population and it is continuing its recruitment campaign to try to address this.

³ The Shared Resource Service (SRS) is a collaborative ICT provision in South Wales that provides ICT services to a number of public sector organisations.

- 26 The Council also has the Newport Fairness Commission, which provides an independent mechanism as a critical friend to the Council. It has provided an independent review of the Council's budget proposals and provides a constructive mechanism to test the public's reaction to service change proposals and to consider their impact on vulnerable groups. The Council considers the views of the Newport Fairness Commission as part of its budget decision-making process.
- 27 The Council has an increasingly diverse population and uses its [Community Connectors](#) staff to engage with harder to reach communities. The Council's Policy and Partnership team also works with services to identify stakeholders and consider appropriate ways of engagement.
- 28 We found a number of examples where the Council has used its engagement arrangements effectively to help inform service changes, such as the libraries and mental health service changes. It was evident that the Council is responsive to consultation findings, such as on the budget process and library service changes. The closure of New Willows, a residential respite service for adults with a learning disability, was an isolated example where the Council had not engaged successfully with stakeholders. The Council has clearly learnt from this, and service users were proactively engaged in shaping the design of the Kensington Day Care Centre.
- 29 However, the Council's business case template does not include anything to prompt officers to set out the outcomes of any consultation or engagement activity. Our review found that presentation of consultation findings was variable within business cases. There were examples where officers presented findings from stakeholder engagement within reports, such as the library service change, but equally examples where these were not included, such as the Newport Community Hub and double handling of cases in adult social care related service changes.
- 30 The Council undertakes equalities impact assessments (EIAs) for each of its service change proposals. These have recently been expanded to incorporate fairness and key principles from the WFG Act, and the Council recognises there is scope to further improve the quality of completed EIAs. Cabinet members have had training on EIAs and on their equalities duties.
- 31 Forward work programmes for Cabinet and Scrutiny Committees are standard agenda items on every Cabinet and Scrutiny agenda, and are available as part of agenda papers but the forward work programmes are not available as standalone documents. The public can find the work programmes through the Council's search facility on its website, which takes the public to a list of committee agendas containing the work programmes. The Cabinet work programme to April 2017 lacks sufficient detail for a member of the public to understand what Cabinet will be discussing. Conversely, Scrutiny work programmes provide more information about the agenda items, for example outlining the committee's role for each item, making it easier for a member of the public to understand the topics being considered.

- 32 The Council publishes a list of decisions taken at each public meeting on its website as part of the meeting papers and the background/reason for the decision is included. The Council also has a decision maker tracker on its website, but we reported in our Corporate Assessment progress review report that it is not easy to use and the Council does not keep it up to date. This remains the case and hinders public transparency and their ability to search and track progress against service change proposals and decisions.

The Council monitors the impact of service changes, but this is not systematic

- 33 The Council's business cases and Cabinet reports relating to service change do not explicitly set out how or what it needs to monitor and evaluate to assess the impact of its service change decisions.
- 34 The Council has arrangements to monitor the implementation of service changes, delivery of related savings and performance, but not other areas of impact, or to provide a comprehensive overview of the impact of service changes.
- 35 The Council uses its Change and Portfolio Boards as the key mechanisms to monitor the implementation of a project or service change and the delivery of agreed savings. Financial in-year savings monitoring reports are risk based and the Council uses a Red/Amber/Green (RAG) status to assess progress and likely achievement. The Council monitors progress on an exceptions basis using a dashboard style of reporting. Officers keep Cabinet up to date on progress via budget monitoring reports and regular meetings with individual Cabinet Members. The Council also indirectly monitors the impact of service change through its performance management arrangements, including regular reports to Cabinet on performance against its improvement objectives. The Council now has a new management information hub, which it is using to manage its performance. We understand that the Council intends to build in the performance management of key contracts into the system.
- 36 There is evidence of scrutiny committees monitoring the impact of some service changes, such as the Riverfront Theatre and Arts Centre alternative delivery model and Newport LIVE. Where the Council had set up a policy review group to consider a service change, such as Newport LIVE or Newport NORSE, we found that the impact of these service changes post implementation was included in the relevant scrutiny committees' work programmes. However, this wasn't consistent. During our fieldwork, Members and officers mentioned that the impact of the library service changes had been included in the scrutiny work programme, but when we reviewed the work programme, this item was not included.
- 37 The Council's Change and portfolio boards have a role to monitor the impact of some aspects of the service change, as do the scrutiny committees. However, the Council could be more explicit in setting out the responsibilities for monitoring impact when it agrees a service change. Arrangements and responsibilities for

monitoring the impact of service change are clearer for larger service changes which have contracts in place, such as Newport LIVE and Newport NORSE.

- 38 We found some examples where the Council had planned the transition arrangements for service change well. Although there was concern about stakeholder engagement in the closure of New Willows, members were more positive about how the Council had taken time to ensure appropriate transition arrangements were in place. This was also the case for the changes to day care services, where service users and their families had an opportunity to experience the new facilities and to influence their internal design.
- 39 The Council has strengthened its EIAs, but it is unclear how it monitors these once it has implemented a service change. All impact assessments for budget proposals and service change are published. The Strategic Equalities plan is a general statement of intent rather than a plan, which sets specific goals or the means to achieve them. The plan does not set out the timescales for the actions, allocated responsible persons or directorate, cost information or resource implications.

The Council has learnt from implementing service changes and is taking steps to improve the effectiveness of its governance arrangements

- 40 The Council has implemented a range of significant service changes in recent years. It has outsourced its leisure and property services, and has made changes to a number of other customer facing services, including libraries, arts and development, waste services and social care. Whilst we are not aware that the Council has formally reviewed the effectiveness of its decision-making arrangements or evaluated the lessons learnt from its service changes, both Members and officers cited a number of improvements, which the Council has made as a result of experience of previous service changes and in responding to changing requirements. For example, in adult social care there is now greater consideration of the engagement of service users in service change following the New Willows service change. The Council has also improved the range of options considered and it is proactively trying to embed the sustainable development principle into its decision-making arrangements. It has commissioned consultants to provide an independent review of its progress in doing so.

- 41 Our Corporate Assessment progress review concluded that the Council had made progress in addressing all of our recommendations but the pace of change in scrutiny remained a concern. It is positive to note since this review that the Council has started to improve its scrutiny arrangements. However, as highlighted earlier in this report, the Council has not updated its change programme to reflect Newport 2020 but the Council has indicated that it plans to do so and to align it with its new corporate plan, which will be developed after the Local Government Elections in May 2017.

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500
Fax: 029 2032 0600
Textphone : 029 2032 0660

E-mail: info@audit.wales
Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500
Ffacs: 029 2032 0600
Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru
Gwefan: www.archwilio.cymru

Report

Cabinet

Part 1

Date: 13 September 2017

Subject Newport City Homes – Proposed Governance Changes

Purpose To consider a request from Newport City Homes for consent to change their internal Rules and to make recommendations to Council regarding the proposed new governance arrangements.

Author Head of Law and Regulation

Ward General

Summary The Council has been requested by Newport City Homes to formally approve proposed changes to its Rules of procedure and internal governance arrangements.

NCH take the view that the proposed Rules changes are necessary to provide a more robust, modern and flexible governance framework to enable the organisation to develop and to ensure a sufficient degree of legal independence

These proposed changes will require the Council to relinquish its one-third voting rights, as shareholder, and also its rights to appoint three local authority Board members.

If the proposals are agreed, then it will be necessary to resolve that the Council's block vote shall be exercised in favour of the proposed special resolution, whether in person or by proxy, at a Special General Meeting of NCH convened for this purpose. It will also be necessary to make the changes to the original stock Transfer Agreement by entering into a Deed of Variation.

Proposal That Cabinet consider the proposals and make the following recommendations for adoption and ratification by full Council:-

- (a) that the Council consents to the proposed changes in governance arrangements;
- (b) that the Council approves the proposed amendments to the Rules to implement these governance changes;
- (c) that the Council's corporate vote be exercised in favour of the proposed special resolution, whether in person or by proxy, at the Special General Meeting of Newport City Homes convened for this purpose;
- (d) that the Head of Law & Regulation be authorised to agree and complete a Deed of Variation to the stock Transfer Agreement, to reflect these changes.

Action by Head of Law & Regulation

Timetable Immediate

This report was prepared after consultation with:

- Leader of the Council
- Chief Executive
- Cabinet Member for Regeneration & Housing
- Head of Finance

Signed

Background

1. Newport City Homes ("NCH") was established on the 9th March 2009 to take a transfer of the Council's housing stock, with a commitment to implement improvement works to achieve the Welsh Housing Quality Standard and deliver enhanced services to tenants, as set out in the Council's Offer Document and reflected in the Transfer Agreement. NCH was set up as a registered social landlord and an industrial and provident society with charitable status. However, the Model Rules of the National Housing Federation adopted at that time were intended to provide sufficient flexibility to allow NCH to evolve into a tenant-orientated organisation in the future, in line with the "Bridge model" recommended by the Newport Housing Commission.
2. There was a commitment by NCH in the Transfer Agreement with the Council to develop the Bridge Model in accordance with the pledges given to the tenants in the Offer Document and pre-transfer ballot. In addition, NCH agreed to consider adopting the Community Housing Mutual form of constitution after 5 years, with the tenants (and other eligible members of the community) being "members" of the organisation and exercising collective control and management of the assets. Other commitments were given, in the meantime, in terms of tenant empowerment and development. Therefore, the intention has always been to give tenants greater involvement in the management of NCH and for the governance arrangements to evolve over a period of time.
3. The Council remains a founder member and shareholder of NCH, with weighted voting rights and also nominates individuals to serve on the executive management Board. Therefore, the Council retains an interest in the operation of the NCH, but it cannot have a controlling interest because NCH is required to operate at "arm's length" and independently of the local authority, as required by the Welsh Government which regulates NCH and all other housing associations in Wales.
4. The Council currently has one-third voting rights at shareholder meetings of NCH. Although this does not give the Council overall control, these 33% block voting rights effectively give the Council a right of veto over major decisions affecting the constitution and operations of NCH because these changes would require a special majority of 75%.
5. In addition, the current Board comprises a maximum of 15 members. This was originally made up of 5 Independent members, 5 tenant board members and 5 Council nominees. However, in 2011 the Council reduced its nominees on the Board from 5 to 4 and, subsequently in 2012 agreed to reduce this to 3 Council nominees, to facilitate an increase in tenant representation, consistent with the Housing Commission's Bridge Report. The three current Council Board members are Councillor Mudd, Councillor Holyoake and former councillor Val Delahaye.
6. In addition to the Council's weighted voting rights which provide an effective veto in relation to major Rule changes, the Transfer Agreement between the Council and NCH also provides that there cannot be any change to the organisation's objects, powers or representation without the Council's prior written consent. This was, again, intended as a further safeguard in ensuring that NCH met their commitments to the tenants and the Council set out in the Offer Document and the Transfer Agreement.
7. The NCH Board has adopted an open and accountable process for the election of tenant and independent members. In the case of tenants, candidates are put forward in a ballot to all households. On a similar basis all share members (now totalling some 1,500, the majority of whom are tenants) have the opportunity to vote for independent candidates. Those candidates who attract the highest number of votes are ratified at the Annual General Meeting and elected to serve on the Board. The Council has previously agreed that, in relation to the appointment of independent and tenant Board members, the Council's single share counts as one vote and the weighted provisions do not apply.
8. Proposed changes.

NCH have now submitted a request for the Council to

(a) approve the following Rule changes:-

- the removal of the Council's one-third weighted voting rights, so that in future the Council's single share will only count as one vote;
- the reduction in the number of Board Members from 15 to 12 and the removal of the requirement for constituent groups (that is, tenant, independent and Council representatives);
- in future, there will be one type of ordinary shareholder and one type of Board Member;
- the composition of the Board would allow for the co-option of up to 3 other members, who can bring specific skills and experience to the role.

(b) agree to amend the commitments in the Transfer Document in relation to the "Bridge Model" of governance and to remove the need to obtain Council consent to any future Rule changes.

9. Reasons for the proposed changes.

Having delivered on the promises made at the time of the stock transfer, NCH are now working with partners to further develop the association and continue to improve services. The NCH strategic plan ("2020 Vision") sets out their ambitions for the next three years and the Board has identified the need to improve their existing governance framework in order to meet these objectives. The current Rules are considered to be too restrictive in relation to the way in which NCH need to carry out their business. Although their current Rules were fit for purpose at the time of the initial stock transfer, they have now become outmoded and are no longer flexible enough to meet future needs.

10. The NCH Board and executive team have identified the need for change and, over a long period of time, have discussed with residents how they can connect better with the board and the wider association. This discussion has confirmed the need for urgent changes to the current Rules, together with a change to the size and shape of the board to a single-status board of up to 12 members including co-optees (individuals who can bring specific skills and experience to support the board for a specific period of time). The NCH board has also confirmed the need for effective resident involvement to inform the organisation's strategic, corporate and operational decision-making.
11. In addition, a recent decision by the Office for National Statistics ("ONS") to reclassify registered social landlords as public bodies has resulted in the Welsh Government consulting on legislative changes to allow the ONS to reverse its decision. The consultation asked for people's feedback on a range of issues such as the Welsh Government's enforcement powers over housing associations and the ability for local authorities to place council nominees onto the boards of large-scale voluntary transfers (LSVTs) such as NCH. Similar changes have already been put into practice in England, and it is expected that the Welsh Government may consider introducing similar actions to deal with the ONS's decision for Welsh housing associations. Any action taken in this respect would affect the existing Rules.
12. Therefore, NCH take the view that the proposed Rule changes are necessary to provide a more robust, modern and flexible governance framework to enable the organisation to develop and to ensure a sufficient degree of legal independence.
13. The proposed Rule changes fall into three broad categories:-

- (a) Updating the Rules to the latest version of the Community Housing Cymru Model Rules 2017;
 - (b) Updating the Rules to reflect the way in which NCH would like to improve existing governance arrangements;
 - (c) Administrative changes
14. Community Housing Cymru is the national representative body of housing associations in Wales. This review ties in with the release of their 2017 Model Rules which have been approved by the Welsh Government and the Financial Conduct Authority as suitable for Welsh registered social landlords. Most housing associations in Wales have adopted these Model Rules and, by following these Model Rules NCH would be fully keeping to the law, best practice and regulatory expectations. The current NCH Rules are based on an old version of the Model Rules (from 2005) which are now out of date. These recommended changes are important to make sure that the NCH governing document is up to date and in line with changes to the law and best practice.
 15. As far as possible, NCH have followed the standard provisions in the 2017 Model Rules, except that they have included the option to include co-opted members on the board, as this is considered to be a useful way to increase the range of skills on the board, as required from time to time.
 16. By introducing the 2017 Model Rules, the NCH board has decided to streamline their governance arrangements by reducing the number of board members from 15 to a maximum of 12 and to remove the requirement for constituent groups (tenant, independent and council nominees). This removes the need for different groups of shareholders and board members. Instead, there will be one type of ordinary shareholder and one type of board member.
 17. There are also a number of Rule changes that are purely administrative in nature, for example, updated references to legislation and terminology and the removal of unnecessary clauses that related to the initial set-up of the organisation, to reflect that NCH are now an established housing association. Council consent would not be required for these minor administrative changes.
 18. The proposed Rule changes, and a new governance approach, have also provided the NCH board with an opportunity to involve residents in creating a new Resident Engagement Strategy, which NCH will launch at the end of the year. The NCH board have re-affirmed their belief that resident scrutiny is the corner stone of good governance, and allows residents to help set priorities, identify areas for improvement in performance and influence the strategic decision-making of the organisation. The board has identified the need for a stronger connection with residents at a strategic, corporate and operational level and believe that these governance changes will help to facilitate this improved engagement.
 19. Impact of the Rule changes for the Council

If it agrees to the proposed changes, then the Council would be relinquishing all control, at both Board and shareholder level, and would have no direct influence over the future direction of NCH. Although the Council would remain as a founder member and shareholder of NCH, it would no longer have weighted voting rights and no effective veto over critical decisions. It would only have one ordinary share and one single vote at meetings of shareholders, as opposed to the current one-third block vote. In addition, any future Rule changes would not require prior Council approval.
 20. Also, the Council would no longer have the right to nominate any specific number of representatives to serve on the Board. As there would be no different category of board members, all 12 members would, in future, be appointed by the board, based on the need for their specific skills and expertise.

21. Therefore, if the Rule changes are approved, both by the Council and by the other members of NCH, then the Council representatives would cease to be local authority nominated members of the Board. Councillor Holyoake and Mrs Val Delahaye would cease to be board members as soon as the changes were approved. However, under the new board appointments being recommended to the next Annual General Meeting of NCH on 21st September 2017, Councillor Mudd would continue to be a member of the board, albeit that she would continue to serve in a private capacity because of her personal expertise and not as a local authority appointed representative.
22. However, the Council has previously agreed to similar governance changes in relation to the Newport Housing Trust, to facilitate its merger within the Seren Group, and has also reduced its involvement within NCH since the original transfer, through the reduction in board membership from 5 to 3 and the removal of weighted voting for the appointment of other board members. Therefore, the principle of the Council withdrawing from direct involvement in the management of these housing associations has already been accepted and established. Most shareholder decisions do not require a special majority vote and the Council now has only 20% of the voting rights at board level, so has very little control in practice at both a strategic and operational level.
23. Originally, the Council required one-third weighted voting rights and board membership following the stock transfer as a safeguard during the transition period, to ensure that NCH met their pledges to the tenants and the commitments given in the Transfer Agreement. It was necessary for the Council to have greater influence over the internal governance arrangements at that time because of the need to meet Welsh Housing Quality Standards. However, the strategic vision for NCH has now changed, with greater emphasis on housing regeneration and development projects, such as in Pillgwenlly and Ringland. Therefore, the Council does not need to have the same degree of control and influence over the internal governance of NCH and there is more of a requirement for the organisation to operate independently of local authority control. However, the Council would continue to work in partnership with NCH, as with the other RSL's, in terms of wider strategic housing and regeneration objectives. It would also be open to the Council to continue to scrutinise the performance of NCH, as a PSB partner, through the Scrutiny Committee process.
24. Although the original Rules when NCH was first established were fit for purpose at that time, they have since become outmoded and a more flexible governance structure is now required to comply with the new Model Rules and to enable NCH to operate as a modern, forward-looking RSL. The commitment in the Transfer Agreement to the "Bridge Model" and the Housing Community Mutual organisation has been overtaken by events because NCH is now an established RSL with over 1500 tenant/shareholders. Therefore, these obligations no longer fulfil any useful purpose and can be removed. In addition, it is likely that legislation will be forthcoming to reverse the impact of the ONS decision and to preserve the legal independence of housing associations from public sector control, including the removal of "golden share" weighted voting rights. Therefore, these Rule changes are necessary to give NCH the flexibility to adapt to any new legislative requirements.
25. Cabinet is, therefore, required to consider the proposals and make recommendations to full Council as to whether or not the governance changes should be agreed. If the proposals are agreed, then it will be necessary to resolve that the Council's block vote shall be exercised in favour of the proposed special resolution, whether in person or by proxy, at a Special General Meeting of NCH convened for this purpose. It will also be necessary to make the changes to the Transfer Agreement by entering into a Deed of Variation.

26. **Financial Summary**

There are no financial or cost implications arising from the proposals

27. Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
If the Council refuses the request to vote in favour of the governance changes, this could affect the future direction and development of NCH and its ability to adapt to changes in legislation.	H	H	By relinquishing control, the Council would allow NCH to modernise its governance arrangements and provide greater flexibility and expertise at board level	Cabinet/Council
By relinquishing its one-third weighted rights as members NCH and rights to appoint Board Members, the Council would have no direct influence over the future direction of the Trust	L	H	The loss of direct control or influence over the operational management of NCH can be mitigated by developing a more strategic arm's length partnership relationship, by reinforcing existing external Scrutiny arrangements	Cabinet/Council and relevant Heads of Service

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The development of strategic partnership working with NCH will help to deliver Well-being and Corporate Plan objectives in relation to building cohesive and sustainable communities and promoting economic growth and regeneration.

Options Available and considered

The Council has the option of

- (a) Agreeing to the proposed Rule changes and new governance arrangements, or
- (b) Not agreeing the proposed Rule changes and new governance arrangements.

Preferred Option and Why

The preferred option is Option (a). If the Council refused the request to vote in favour of the governance changes, this could affect the future direction and development of NCH. Therefore, to enable the Trust to continue to operate effectively and to improve services to tenants, the Council needs to relinquish control. The loss of Council control at member and Board level can be mitigated by more rigorous

scrutiny and by strategic partnership working. The Council has already acknowledged that its involvement in the day to day operational management of NCH has reduced significantly since it was first established and previous governance arrangements have already been relaxed. Therefore, this is a natural extension of that process.

Comments of Chief Financial Officer

There are no financial implications.

Comments of Monitoring Officer

As set out in the report.

Comments of Head of People and Business Change

As the report outlines, Newport City Homes are a partner on the One Newport Public Services Board, representing registered social landlords. This has improved partnership working and will ensure that the sector is engaged in the development of the Wellbeing Plan which the PSB will be working towards from April 2018. Progress against this plan will be subject to the Council's Partnership Scrutiny arrangements.

Scrutiny Committees

Not applicable.

Equalities Impact Assessment and the Equalities Act 2010

There are no equalities implications.

Children and Families (Wales) Measure

There are no children and families implications.

Wellbeing of Future Generations (Wales) Act 2015

The proposed changes will enable NCH to operate independently but in partnership with the Council to deliver key well-being objectives in relation to building cohesive and sustainable communities and promoting economic growth and regeneration. The new governance arrangements are also consistent with the sustainable development principles of collaboration, integrated working and also greater tenant involvement and engagement.

Background Papers

NCH Proposed Rule Changes
NCH Notices of SGM/AGM 21st September 2017 and proposed resolutions
NCH briefing note to Share Members

Dated: 25th August 2017



Report

Cabinet

Part 1

Date: 13 September 2017

Subject Corporate Plan

Purpose To agree the Council's draft Corporate Plan for consultation with Scrutiny.

Author Head of People and Business Change

Ward All

Summary The new corporate plan sets out what we intend to do over the next five years to Build on Success and Build a Better Newport, focusing on jobs and the economy, education and skills, fairness and equality, community safety and cohesion, the environment, transport, culture and social well-being.

This Corporate Plan sets out how we will do this and meet the statutory responsibilities set out in the Wellbeing of Future Generations Act. The draft plan is appended to the report and will provide the strategic context for the work of the organisation in the coming years.

The plan includes the Council's Well-being objectives which were previously agreed by Cabinet and published in March.

The Corporate Plan forms part of the Council's Policy Framework. As such it needs to be considered by the appropriate Scrutiny Committee and will need to be formally approved and adopted by full Council.

Proposal To agree the draft Corporate Plan for consultation with Scrutiny

Action by Chief Executive
Strategic Directors and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Strategic Directors (People and Place)
- Heads of Service
- Leader of the Council

Signed

Background

The previous Corporate Plan was agreed in 2012 with a commitment to a Caring, Fairer, Learning and Working, Greener and Healthier, and Safer City. Despite a period of austerity for local government services, the administration has ensured careful management to ensure that these promises were met.

The new corporate plan sets out what we intend to do over the next five years to **Build on Success and Build a Better Newport**, focusing on jobs and the economy, education and skills, fairness and equality, community safety and cohesion, the environment, transport, culture and social well-being.

This Corporate Plan sets out how we will do this and meet the statutory responsibilities set out in the Wellbeing of Future Generations Act.

Delivering the Corporate Plan

The intended outcomes agreed in the plan set the key priorities for the Council. The Wellbeing of Future Generations Act was introduced in 2016 and aims to help create a Wales that we all want to live in, now and in the future. To give current and future generations a good quality of life we need to think about the long term impact of the decisions we make. The council has set its Wellbeing Objectives and they are included in this plan because they form part of the council's vision for the future.

As outlined in the document attached the plan should not be viewed in isolation; it makes up part of the strategic planning map or 'golden thread' that integrates the plans and strategies of the council. The corporate plan sets the vision and direction for the council and sits below the Wellbeing Plan which is agreed in collaboration with partners. The strategic direction flows down from the corporate plan; the actions to deliver the vision flow up from individuals whose every day work contributes to the performance and delivery of the vision.

This plan has been produced at a time of significant financial challenge within the public sector, the workforce and budgets must be carefully planned and managed to ensure that we can deliver what we have set out to do; this is done within each service area in their service plans. The actions planned by service areas will contribute to the delivery of the corporate plan, service plans are set in conjunction with cabinet members and scrutiny committees to ensure oversight and accountability for the delivery of the actions.

The council is also operating at a time of great political and legislative changes, it is important that through risk management and well thought out strategic planning the work of the council continues to provide improved outcomes for citizens and communities. The council also works to ensure compliance with the current legislation and any changes that may occur, in order to do this the council works closely with the Wales Audit Office who are the main regulator for the council.

The plan sets out clearly our priorities and demonstrates our commitment to improving social, economic, environmental and cultural well-being and developing plans through the sustainable development principles – long term, integration, collaboration, involvement and prevention.

Monitoring the Corporate Plan

The arrangements for monitoring the plan are as outlined in the draft attached.

As the plan spans more than one year, it will need to be reviewed regularly to adapt to ongoing changes and to ensure that it remains relevant to changing national priorities. An annual statement of progress made against the objectives set will be presented to members and senior officers and published so that it can be shared with all employees and members of the public.

Staffing issues

There are no staffing issues arising from this report.

Financial Summary

There are no new financial implications from the production of the Corporate Plan. The actual plan itself will set the direction for the Council and should influence the allocation of resources, both capital and revenue.

Risks

The Corporate Plan contains reference to risk and in order that the Plan is effective and provides clear direction, risks need to be managed. This ensures that strategies that contribute to the overall ambitions of the Council are aligned and that communities have confidence in the Council's ability to deliver quality services and support people.

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
That the plan is not taken forward as the strategic direction for all service provision.	Medium	Low	Services will be engaged in the implementation of the plan, which will form the basis of all Council strategy.	Chief Executive
That the corporate plan does not meet the requirements of the Wellbeing of Future Generations Act.	Medium	Low	Well-being objectives previously agreed are reviewed in the draft Corporate Plan 2017 and will be monitored along with the improvement objectives.	Head of People and Business Change

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Corporate Plan is the overarching Plan of the organisation which informs the direction of all other policies and programmes.

The Wellbeing of Future Generations Act is about improving the social, economic, environmental and cultural wellbeing of Wales. The plan will need to ensure that the Council meets the development of the Wellbeing Objectives as adopted within the Plan.

Options Available and considered

Option 1 – to approve the draft Corporate Plan for consultation with Scrutiny

Option 2 – to propose amendments to the draft Corporate Plan

Comments of Chief Financial Officer

There are no direct financial implications arising from this report. However any costs arising from the implementation of elements of the actual plan itself would need to be reviewed and the impact on budgets assessed as required.

Future budget strategy and MTFP proposals will need to have a clear link to the outcomes and priorities set out in the Corporate Plan.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. The draft Corporate Plan sets out the Council's strategic vision for the next 5 years and how it intends to discharge its responsibilities under the Well-being of Future Generations (Wales) Act 2015 and meet its well-being objectives. The Corporate Plan will provide the strategic framework for service planning, delivery and improvement throughout the term of the current Council, although it needs to be a dynamic document and subject to periodic review. The Corporate Plan forms part of the Council's Policy Framework and, in accordance with the requirements of the Constitution, will need to be formally approved and adopted by full Council.

Comments of Head of People and Business Change

There are no staffing issues arising directly from this report. However, the draft plan includes a section, "Motivated, capable and engaged workforce", which recognises that the Council needs a motivated workforce, and effective and enabling internal support functions to deliver its ambitious plans for the future and outlines how this will be achieved. Detailed staffing implications will be identified and commented on fully through the service planning framework.

The report notes that the Council's well-being objectives are part of the basis of the new Corporate Plan. The Council's full Well-being Statement is also included in the Plan. This is important for demonstrating how the Council has taken account of the well-being goals for Wales and the sustainable development principle and plans to meet its obligations under the Well-being of Future Generations (Wales) Act 2015.

Specific actions for Health and Wellbeing for the Council's workforce will be part of the People and Culture strategy.

Local issues

Not applicable.

Scrutiny Committees

The Scrutiny Committees were involved in the public consultation of the Wellbeing Assessment draft document which has been used to develop the objectives outlined in the report.

The draft corporate plan will be submitted to the Overview and Scrutiny Management Committee for consideration prior to approval.

Equalities Impact Assessment and the Equalities Act 2010

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

Children and Families (Wales) Measure

Not applicable.

Wellbeing of Future Generations (Wales) Act 2015

The proposal ensures our continued compliance with the Wellbeing of Future Generations (Wales) Act 2015 by ensuring that the Well-being Objectives published in March form part of the basis of the new Corporate Plan.

Crime and Disorder Act 1998

Not applicable

Consultation

Comments received from wider consultation have been incorporated in the development of the report and wellbeing objectives objectives.

Background Papers

Cabinet Report Wellbeing Objectives

Dated: 20th August 2017

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Building on Success

Building a Better Newport

Newport City Council Corporate Plan 2017 to 2022

Introduction by the Leader of the Council

In our 2012 Corporate Plan we promised you that we would create:

A Caring City; A Fairer City A Learning and Working City; A Greener and Healthier City and a Safer City.

We've kept our promises within the harshest of economic times for Local Government and with careful management by my administration we have managed to protect frontline services in social care and education; addressing the diverse needs of all of our people through rigorous examination of our work by the Fairness Commission and public sector regulators, all of whom have given the services run by Newport City Council positive ratings including those by the external regulator at the Wales Audit Office.

We've seen our schools produce some of the best results they have ever achieved. We are building new schools and redeveloping others. We have increased opportunities for businesses and work in the city including beginning the transformation of the city centre with the Friars Walk development. We've restored the "Pride in Newport" waste and litter programme and established zero tolerance initiatives for fly tipping throughout the city. We've worked with our partners in the Public Services Board to address issues of antisocial behaviour and crime across the city. All of our work and decisions are open to public inspection and are recorded in the public realm and what we have done is there for all to see.

With power comes responsibility and that is what this administration in Newport has shown in the past, in the present and will continue to do so in the future. How will we do this? We will put our values of economic success and social justice at the heart of our work which we believe are the values shared by most people in our city.

The details of what we intend to do over the next five years are set out in this new corporate plan where we will **Build on Success and Build a Better Newport**, focusing on jobs and the economy, education and skills, fairness and equality, community safety and cohesion, the environment, transport, culture and social well-being. In our manifesto we committed to a WORKING NEWPORT, a LEARNING NEWPORT, a FAIRER NEWPORT, a SAFER NEWPORT, a more SUSTAINABLE NEWPORT, a VIBRANT NEWPORT and the FUTURE of NEWPORT. This Corporate Plan sets out how we will do this and meet the statutory responsibilities set out in the Well-being of Future Generations Act.

Whilst we continue to serve the city and people of Newport within the context of on-going austerity we also need to be positive about the future and be ambitious in our plans. That is the leadership and focus this great city deserves. Within our Corporate Plan we detail the things we will do over the course of this Administration in our '20 by 2022' commitments. Delivery against these commitments will ensure we move Newport forward, building on what we have achieved in order to **Build a Better Newport**.

Cllr Debbie Wilcox | Leader of Newport City Council



Preface by the Chief Executive of Newport City Council

As Chief Executive my role is to ensure that all our staff and service providers have the principle of 'improving people's lives' at the very core of the work that they do – whether they work in refuse collection, social care or democratic services. We need to continue doing that whilst we face year-on-year reductions in our council budget and having already made savings of £45m over the past five years. Despite these challenges we have continued to develop and deliver high quality services, including:

- Building a new Welsh medium secondary school - Ysgol Gyfun Gwent Is Coed, scheduled to open in September 2017.
- Development of a new school to accommodate pupils with Autistic Spectrum Disorder. This will be the first in the city and the specialist resource will provide pupils aged between 3-19 with specialist provision and structured teaching.
- Taking the innovative step of borrowing £90 million to lend to Queensberry Real Estate to ensure the Friars Walk retail and leisure scheme was able to progress as quickly as possible. A shining example of partnership work between the public and private sector, Friars Walk has attracted lots of praise and even awards.
- Funding of nearly £60m including almost £15m from Welsh Government for the vibrant and viable places (VVP) programme, has made a real difference with many landmark buildings in the city centre transformed
- Introducing a Business Development Fund in 2016 to help new businesses start up in Commercial Street and High Street and bringing a pop up business school to Newport Market resulted in 37 new businesses being started.
- Agreeing to be part of the Cardiff Capital Region City Deal programme, which will see £1.2bn invested in the regional economy. City Deal will help boost economic growth in 10 local authority areas, including Newport, by improving transport links, increasing skills, helping people into work and giving businesses the support they need to grow.
- Welsh Government national categorisation for primary schools in 2017 saw Newport come out on top in Wales: more than 52% of our primary schools are ranked green and 93% are within the green and yellow categories combined.
- Launching Fake Free Newport which aims to make the city free of fake and counterfeit goods and services.
- Securing the first round of Heritage Lottery funding to revitalise Market Arcade and we are progressing plans to breathe new life into the shopping thoroughfare.
- Continuing to progress towards achieving dementia friendly city status working alongside Newport Public Services Board.
- Our Education Service was one of only four in Wales to be rated good by education inspectors Estyn with our schools producing some of the best results they have ever achieved.

There are a number of projects on the horizon that we are looking forward to with confidence and Newport really is in the midst of some game-changing developments. Projects include the building of the £80m International Convention Centre Wales which is due to be completed in 2019 and as well as creating 250 jobs, will again raise the profile of the city, particularly in the world of international business and events while investment of £38m committed for a semiconductor plant could create 2,000 skilled jobs in Newport.

We are embracing the Well-being of Future Generations Act (Wales) 2015 and will be working to ensure we maximise our contribution to the Well-being objectives and working together with our partners on the One Newport Public Services Board to deliver the Well-being Plan for our city.

We are committed to listening to the views of all our residents and partners and will have an extensive programme of consultation and public engagement during the life of this corporate plan. We encourage as many people as possible to sign up to the Involve Newport, the Citizens Panel and to make a reality of Newport: A City of Democracy. To join the Panel visit the One Newport website: www.onenewportlsb.newport.gov.uk

Will Godfrey | Chief Executive

A handwritten signature in dark ink, appearing to read 'Will Godfrey', with a long, sweeping horizontal line extending to the right.

About Newport

Newport is a coastal city, covering a geographical area of just over 84 square miles. It has an urban hub with an extensive rural hinterland and is home to one of Wales' most diverse and multi-cultural populations.

The city's natural and heritage assets are significant: from the flagship Wetlands Reserve and beautiful rolling countryside to Roman Caerleon, Tredegar House, the iconic Transporter Bridge and important links to Chartism and the history of British democracy. Our Council works continually to protect, enhance and promote these wonderful assets.

Newport gained city status in 2002. Since then, one of the largest regeneration projects in the UK has delivered huge transformation, culminating in the opening of the Friars Walk retail and leisure complex in 2015. In recent years, landmark buildings have been brought back into use, creating new homes and commercial space in the city centre. The riverfront has been transformed with new housing developments.

We now have a university campus in the city centre and hope to combine this with a new further education campus to create a Newport Knowledge Quarter that offers joined up educational pathways and support for local business.

Our council's plans for ongoing regeneration will be brought together in our City Centre Masterplan which we will publish in 2017/18.

Newport has also developed an international profile, having hosted world class business and sporting events: the NATO Summit in 2014 and the Ryder Cup in 2010. Our ambition is high and we look forward to attracting more significant events when the Wales International Convention Centre opens at the Celtic Manor Resort.

Newport is a vibrant, forward-thinking city steeped in a rich industrial heritage we have lost some of our core industries, but the city has proved that it can re-establish and adapt itself as a centre of modern industry and commerce, particularly in areas such as technology, finance, professional services and the government sector. The new City Regional Deal offers huge potential for the city's future economic growth.

While areas of poverty and deprivation exist across the City, our council and its partners are working with local



City Vizion Housing Development



City Centre USW Campus



Celtic Manor Resort

communities to understand the differing issues and identifying priorities. There is a focus on meeting the requirements of those residents most in need and communities that are most disadvantaged and at risk, ensuring that all our citizens can be more optimistic to the future. The financial challenge and Well-being of Future Generations Act will require us to think differently in the future, considering how we can work in partnership with other organisations, to work in a way that is joined up and prevents future problems.

Achievements in 2016/17



8,038
per 1,000 population
Visits to Sport
and Leisure Centres



98.65%
Response rates for
removing reported
fly tipping incidents

94.5% Attendance at Primary Schools



93.3%
Attendance at
Secondary Schools



1200 new jobs
created through WBLA and
VVP programme including the
opening of Friars Walk



278
the lowest number
of looked after children
at the end of 2016/17
for 7 years



c.£97m
of private investment
into Newport City Centre



Secured
Heritage Lottery funding
for the regeneration
of the Market Arcade

About our council



6000

Council Staff
(including schools)



50

Councillors



44%

of Cabinet Members are
female making Newport
one of the top in Wales



57

Schools including
4 Welsh Medium



13k

Twitter Followers



10,247

Facebook Likes



149,148

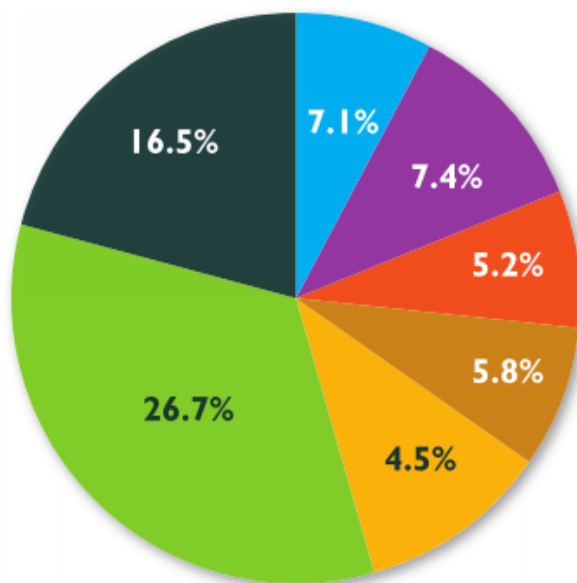
Residents



653km

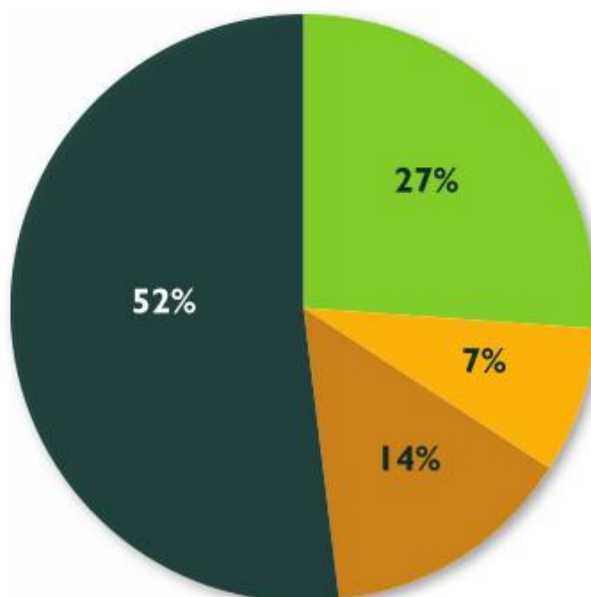
Highway Network Length

Where our council's money comes from



2017/18 cost of council services

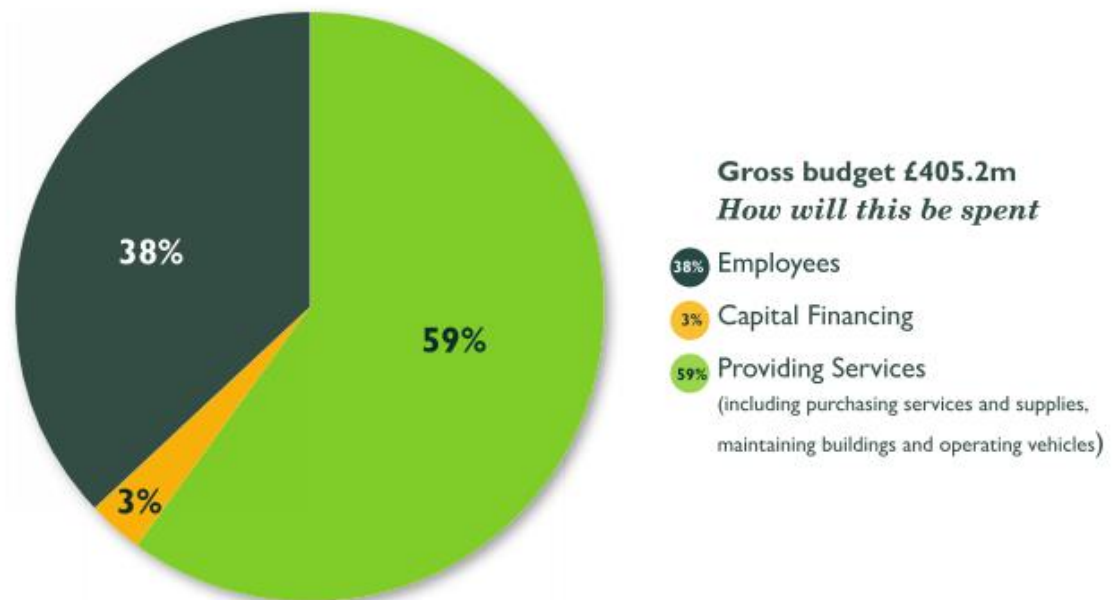
- 16.5% Adult & Community Services = £66.8m
- 26.7% Schools = £108m
- 4.5% Education = £18.4m
- 5.8% Children & Young People = £23.5m
- 5.2% Governance & Support = £21m
- 7.4% Streetscene & City Services = £29.9m
- 7.1% Regeneration, Investment & Housing = £28.7m



- 52% Welsh Government (RSG & NNDR)
- 27% Specific Grants 26%
- 7% Fees & Charges 8%
- 14% Council Tax 14%

Total Funding Available £405.2m

Where our council's money goes



Building on success

Newport is proud of its reputation for excellence and innovation. Our young people achieve excellent school results and we are narrowing gaps in performance so that all young people have an equal chance to succeed. The proportion of young people not in education, employment or training is also at its lowest ever level. Our innovative approach to delivering integrated Children's Social Care services, jointly delivered with Barnados has been lauded as the 'one of the most impressive overall models to be evaluated to date'.

Overall local employment is growing as we focus our efforts on making a difference to the groups that are furthest from the employment market. Antisocial behaviour is down, thanks to our multi agency work and our support for vulnerable people allows many more to live at home instead of residential and nursing care. Great strides have been made in the prevention of homelessness. We have also achieved much in terms of our organisation's structure and efficiency including the new model for delivery of IT services.

We have delivered major regeneration projects such as Friar's Walk. These create a vibrant city centre, attract new employment opportunities and building strong communities.

In May 2017 Newport's political administration was elected on a platform of fairness, with the declaration that 'Building on Success - Building a Better Newport', reaffirmed that the values of opportunity and social justice must guide everything we do.

Despite our recent successes however, the reality presents a real challenge. Financial constraints caused by the government's austerity programme together with huge welfare reform and stagnant and below inflation wage increases will radically increase pressures and demand for local public services. If we are to protect the most vulnerable in our society at a time of drastic reductions in resources, the clear shared purpose and priorities described within the Labour Manifesto will be vital.

TWO KEY QUESTIONS HAVE FRAMED OUR THOUGHTS

1. How can we use our resources to best effect?

How can we align and deploy financial and other resources like capital assets and the skills and strengths of our communities and partners. We know our council cannot deliver everything on its own and that communities and partners must play a key role.

We need to move away from strategies based on how we can deliver cuts in services as our income decreases. This is a negative approach that leads to managing decline by 'salami slicing': doing exactly what we do now, but a little bit less, or in fewer locations.

Instead our thinking must be framed by how we spend the budget and align all the resources at our disposal in the best way possible. So we do not need to ask 'How do we deliver £30m cuts in services?' but, 'How do we deploy the resources that we have?'

This might mean that we need to deliver some services in entirely different ways. To make some of these major changes we will need to invest in new approaches at a time when budgets are tight, but we believe that these new approaches will yield better outcomes for our citizens.

2. How do we treat the causes of problems rather than the consequences?

We believe that across all areas of service delivery and across the range of areas we seek to improve from recycling to children's social care, that we must address issues at their root cause. The consequence of this approach is that we may need to shift the focus of our investment, and our behaviour to ensure there is an emphasis on early intervention and prevention wherever possible. We must empower and support our residents to act themselves and always start from a position of 'asset-based', rather than 'deficit-based' thinking.

The rest of this document builds on these two key questions and sets out:

- What exactly do we mean by 'Improving People's Lives'?
- What values should guide everything we do (courageous, positive responsible)?
- What are the design principles that articulate a 'Newport way' of doing things?
- What are our plans to ensure we have a motivated, capable and engaged workforce?

This plan must be based on real actions that build on recent success. Therefore, we have outlined 20 commitments for change, relating to the following four areas:

- Resilient communities,
- A thriving city,
- Aspirational people,
- A modernised council.

These are the four themes that will drive our council in the years towards 2022.

Our Mission: Improving people's lives (this is why we do what we do)

Newport is forward-thinking in its aspirations for the City and how it can improve outcomes for its citizens. Our mission and values are not a quick fix or knee-jerk reaction to the financial context. Rather, they seek to tackle deep seated challenges and allow us to make the most of the strength of our communities and our staff and build on the improvements and transformations that are already underway.

By 2022, we know that needs within our communities are likely to be more acute because of increasing inequality, linked with the impact of welfare reform and ongoing and continued public sector austerity.

Our mission of 'Improving People's lives' builds on the work of the Newport Fairness Commission. Our City Council will take strategic action across the region together with other local public service organisations, the business sector and voluntary sector, to address the root causes of inequality and give our citizens the best possible chance to achieve their ambitions.

In practical terms, we know that to improve people's lives, our communities must be strong and resilient to change and negative events. They should be able to support each other and look after themselves. To support strong and resilient communities in Newport we must do all that we can to create the conditions for a vibrant local economy and thriving city. A place where our citizens can aspire, work profitably and improve their lives.

To deliver this our council must be modern and forward looking.

We will encourage entrepreneurship but will also protect and support our citizens who need more specialist support and professional help. We must intervene early to prevent issues from arising and act quickly to stop their escalation. We will support older people and adults with disabilities and allow them to live independently at their own homes for as long as possible.

In summary, aligned with the aspirations set out in the Well-being of Future Generations Act, we believe, 'Improving People's Lives' means:

- Our communities are strong and can look after themselves.
- We have a strong local economy and local people have the skills they need to find work.
- Our city and surrounding communities feel safe and they are places where people want to make their lives.
- For citizens that need tailored specialist support we intervene early and work together with people to help stabilise, maintain and improve their lives as quickly as possible.
- Our City Council's key role is a facilitator and enabler, with a focus on prevention.

Our values: Improving people's lives (how we do what we do)

Our council is directly involved in a huge range of activities across the city that impact everyone living or working here.

We collect council tax to provide social care, tend public spaces, help protect people from the activities of rogue traders and assist new businesses to make a start in Newport. Our council has significant influence and all this activity is supported by a dedicated group of staff.

Our values describe the behaviour we need to embed in everything that we do from service delivery and commissioning, to how we approach decision making and the sort of work environment we create. They are the foundation for the way our organisation operates. They are also the values we seek to encourage among our residents and partners more broadly. Our three values are:

BE COURAGEOUS

This means that we expect our staff, and services to be ambitious and innovative. We expect this to be the case whether services are delivered directly by our council, through regional networks or provided by an external organisation.

Being courageous means we are not afraid to try new things, we are a learning organisation and we constantly question our approach. It means that we lead the way in the region and in Wales more widely and others to look to us as a beacon of best practice. Our 20 aims by 2022 represent the boldness of our ambition.

For our residents being courageous means they are proud and ambitious for their communities, they have high expectations and support and drive the development of the city. Our partners play a key role and work together with our council to develop a comprehensive and ambitious vision for the future where schools, businesses, the police, health providers and other public sector agencies all play a role.

BE POSITIVE

As an organisation we are always helpful and constructive, support and enable residents to do more for themselves. We take a pragmatic, glass half-full approach and we approach in relation to the challenges and opportunities facing our city and we approach tasks and decisions with confidence and tenacity.

For residents and partners being positive is about working together with our council in a constructive, purposeful way. It is about us, residents and partners being able to see what each brings to the table. It is about shifting from 'doing to' to 'doing with'.

BE RESPONSIBLE

Being responsible means that we trust staff and all providers who deliver services on our behalf to take responsibility and to be accountable for their actions and the quality of their work. To deliver this we take a mature approach to agile working and risk management and empower our staff to use their professional judgement to consider the whole system and deploy the most effective approach that reflect our values and the design principles. Being responsible means that decisions are taken at

the lowest appropriate level and our practitioners are empowered experts, who respond to the political direction provided by the Administration

For residents, being responsible means taking ownership. It is about the recognition of citizens as equal players. We will enable and expect local people to play a greater role in relation to a whole range of things.

Everything from service design to keeping healthy, voting, getting involved in their communities, and acting in environmentally conscious ways.

Organisational Design Principles

Our mission has helped us to distil a strong set of six design principles that align with our values (courageous, positive and responsible). They flow from our mission, 'Improving People's Lives' and describe how we think local public services should be designed and delivered in Newport.

They can be considered the "Newport Way" of doing things.

Our six design principles are listed below and we have ensured they are embedded in the 20 aims by 2022. We will also embed these design principles more widely in our approach to service and business planning across the entire organisation and through our Public Service Board in our approach to partnership working.

- **Enabling and capacity building:**

We see the role of our council (both officers and members) as community enabler, facilitator and capacity builder and our practitioners are supported to fulfil their roles as professional experts.

- **Citizen role:**

In Newport, citizens are equal partners and play a role in the creation and support of strong communities and help to design local public services.

- **Tailored approach:**

We believe that different people, families and parts of the city may require different approaches and we never assume that one size can fit all. This means flexible use of our buildings, technology and staff that work for our citizens.

- **Early intervention and prevention:**

We act early to prevent issues from happening in the first place, and where they do occur we intervene early to stop them from escalating.

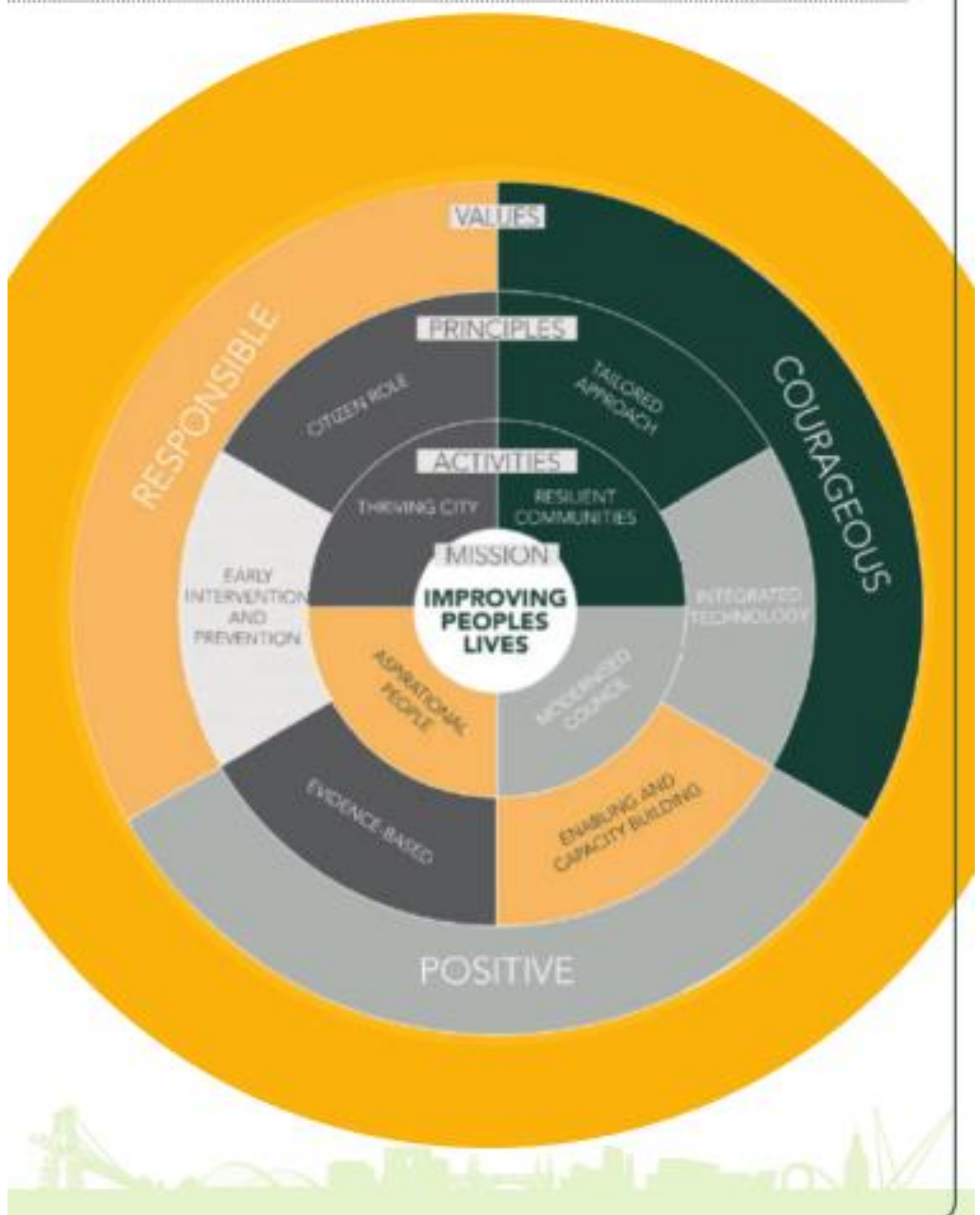
- **Evidence-based:**

Our decisions are based on evidence so that we focus our resources where they are most needed; and we have a good understanding as to whether the actions we are taking are having the intended impact.

- **Integrated technology:**

Technology must be integrated into services with sensitivity and will only be pursued if it helps to improve efficiency or outcomes.

Our Organisational Framework



Motivated, capable and engaged workforce

To improve people's lives, we need a very strong, clear political and managerial leadership supported by motivated, engaged and committed staff. If we are to improve people's lives our leadership must be strong and the skills and calibre of our workforce must be of the highest quality.

To achieve this we invest in recruitment, retention and development of the best staff and suppliers.

We believe that our employees are agents of change and innovation. Our organisational development programme ensures they are empowered and supported to deploy approaches that reflect our values.

Our staffing structure and internal support functions are already strong and we propose that they be further reconfigured to enable us to focus on the delivery of transformed services.

Our decision to share IT services with the five Gwent counties is an example of how innovative collaboration can benefit our city. We propose, where appropriate and where this delivers best value for money, to investigate any services that can be delivered more effectively by regional cooperation.

All our work, from front line operations such as Social Services and city regeneration as well as support functions like IT, finance and HR will be framed around clearly defined goals and well understood thresholds.

This dynamic approach will have a positive impact on all parts of the organisation. Some are outcomes-focused, and others are process-driven and focused on compliance with outside regulators.

Our fundamental attitude is that decisions are taken at the lowest appropriate level and our practitioners have the expert skills required and are empowered to respond to the clear political direction of our administration. This challenge will require strong and uncompromising leadership at all levels of our council.

In summary, we must have a motivated workforce and effective and enabling internal support functions to achieve our ambitious plans.

- We want Newport to be an employer of choice in the City and across local government in Wales. We want our staff to be committed and inspired by the work they do and are proud to work for the City Council.
 - To achieve this, we will invest in our staff, ensure there are clear career pathways and enable our staff to work autonomously and flexibly to deliver the best possible outcomes. We will measure our success through a comprehensive set of indicators relating to staff progression, satisfaction and turnover figures.
 - The use of agile working will be explored and implemented wherever possible. The benefits of flexible work routines do not only impact on the well-being of staff and better and more efficient and cost effective services. It can also contribute to the removal of transport pollution from our roads which is a significant instance of a different approach to service delivery.

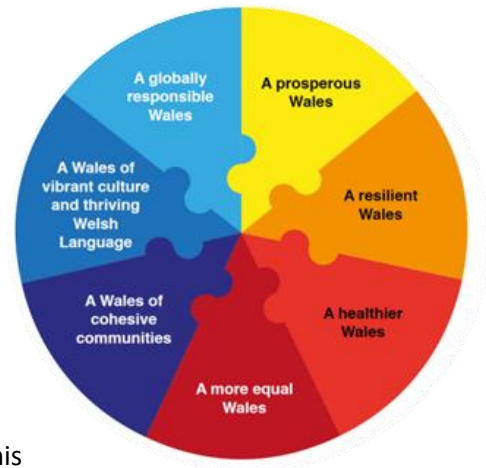
- We have strong strategic capacity (relating to organisational development, policy, performance, and financial management) that ensures the smooth running of our council and enables us to deliver our aims and objectives.
- We have strong real-time understanding of data and evidence. This means we can move quickly to focus our attention in the right areas.
- Our transactional, back-office functions are regionalised where appropriate to deliver best value.
- As we embed flexible and modern ways of working our council operates out of fewer administrative buildings with an average 2:1 desk ratio and we review and rationalise our capital assets where there is a business case to do so.

Building a better Newport

The Well-being of Future Generations (Wales) Act (WFG Act) became law in Wales on 29 April 2015. The Act is about improving the social, economic, environmental and cultural well-being of Wales. It will make the public bodies listed in the Act, including our council, think more about the long term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach. The Well-being objectives that have been adopted by our council are;

1. To improve skills, educational outcomes & employment opportunities
2. To promote economic growth and regeneration whilst protecting the environment
3. To enable people to be healthy, independent & resilient
4. To build cohesive & sustainable communities

The Welsh Government and the Future Generations Commissioner have made it clear that duties to set and report on well-being objectives should not be treated as separate from any objectives that guide and steer the actions and decisions of organisations. The table below shows how our council's Well-being Objectives link to the manifesto commitments of the Administration (outcomes), which in turn are supported by the areas for action within this Corporate Plan.



***Our well-being statement is set out in appendix 1**

Well-being Objectives	Promote economic growth and regeneration whilst protecting the environment		Improve skills, educational outcomes & employment opportunities	Enable people to be healthy, independent & resilient	Build cohesive & sustainable communities		
Manifesto commitments	Working Newport: Jobs, growth & the economy	Sustainable Newport: Environment & transport	Learning Newport: Education & skills	Future Newport: Well-being & social care	Fairer Newport: For all our residents	Safer Newport: Community safety & antisocial behaviour	Vibrant Newport: Creativity & culture
Corporate plan actions	A thriving city		Aspirational people		Resilient communities		
Supporting function	A modernised council						

Imagine by 2022: Our commitments

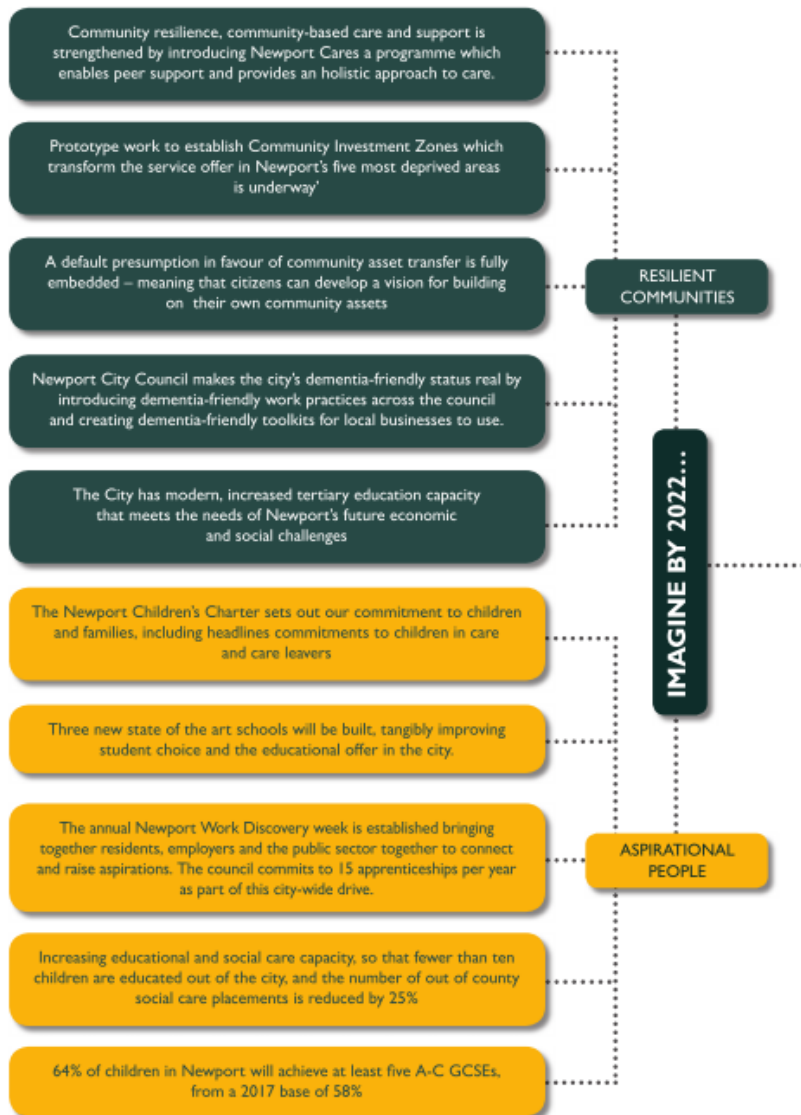
This section describes 20 practical things that we believe represent a step-change in how we operate. Each commitment is designed to move us into collective, organisation-wide delivery that not only meets the needs of Newport now but also in the future. They all help to deliver the promises set out in the Administration's manifesto and are innovative steps towards achieving our well-being objectives:

Building on Success – Building a Better Newport.

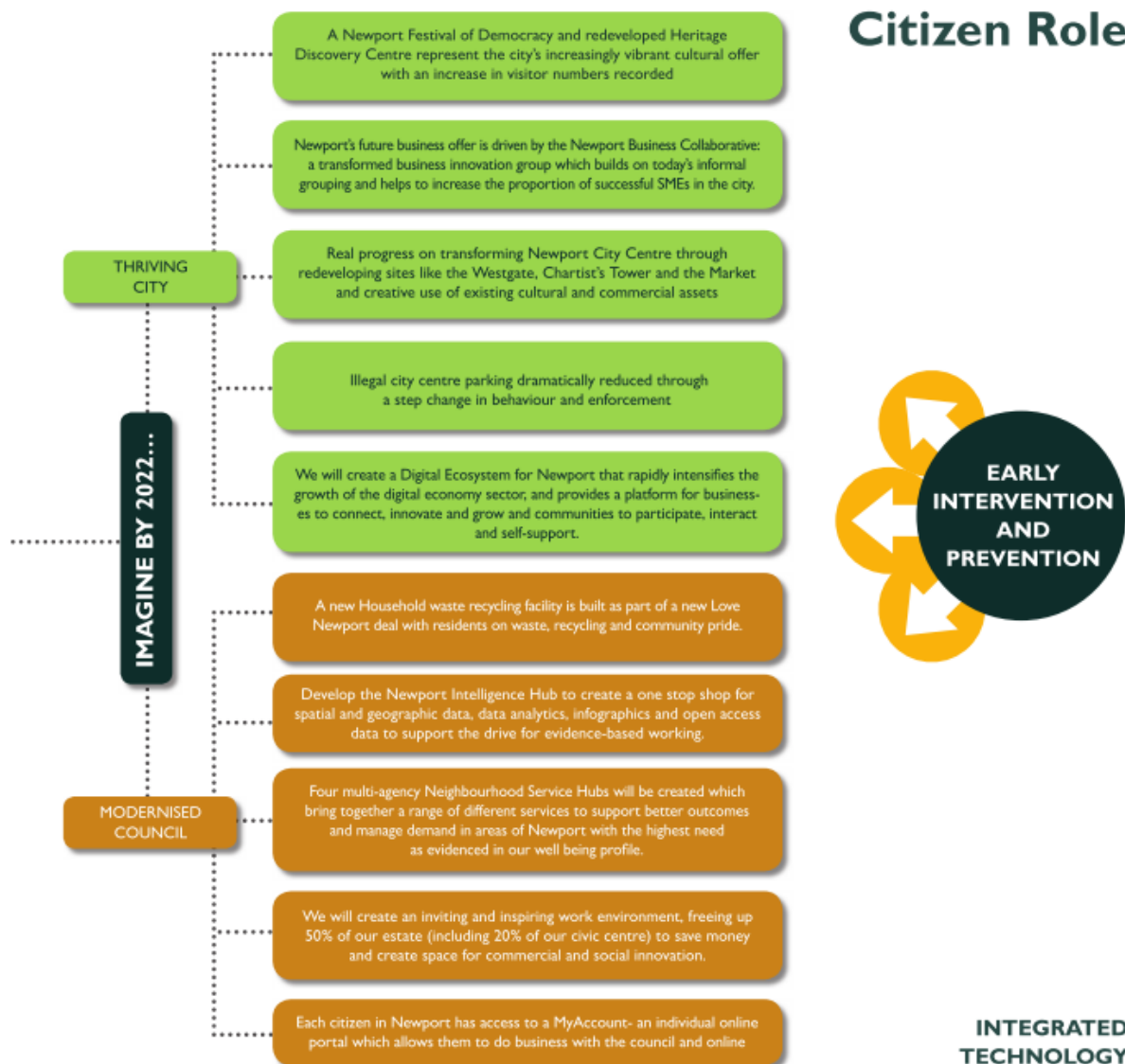
Enabling and capacity building



EVIDENCE BASED



Citizen Role



Delivering the Corporate Plan

The intended outcomes agreed in this plan set the key priorities for our council. The Well-being of Future Generations (Wales) Act 2015 and aims to help create a Wales that we all want to live in, now and in the future. To give current and future generations a good quality of life we need to think about the long term impact of the decisions we make. Our council has set its Well-being Objectives and they are central to this plan because they form part of our council's vision for the future.

This plan should not be viewed in isolation. It makes up part of the strategic planning map or **'golden thread'** that integrates the plans and strategies of our council. The corporate plan sets the vision and direction for our council and sits below the Well-being Plan which is agreed in collaboration with partners. The strategic direction flows down from the corporate plan; the actions to deliver the vision flow up from individuals whose every day work contributes to the performance and delivery of the vision.

This plan has been produced at a time of significant financial challenge within the public sector. The workforce and budgets must be carefully planned and managed to ensure that we can deliver what we have set out to do. This applies to each service area in their service plans. The actions planned by service areas will contribute to the delivery of the corporate plan, service plans are set in conjunction with cabinet members and scrutiny committees to ensure oversight and accountability for the delivery of the actions. Service plans are available on our website. All staff and all citizens of Newport can see what is planned for the year ahead and how it will be managed and monitored.

This is a time of great political and legislative change. It is important that through risk management and well thought out strategic planning, that the work of our council continues to provide improved outcomes for citizens and communities. Our council also works to ensure compliance with the current legislation and any changes that may occur. To do this our council works closely with the Wales Audit Office (WAO) who are the main regulator for our council. The WAO has an annual work programme and the reports that they provide give assurance that our council is working hard to comply with legislation and working well to address any points they have raised.

The plan sets out clearly our priorities and demonstrates our commitment to improving social, economic, environmental and cultural well-being in the city. and the realisation of our plans depend on using the sustainable development principles to inform our decision making i.e. thinking about the long term, considering how our well-being objectives impact on the well-being goals for Wales, acting to prevent problems occurring or getting worse, collaborating with others and involving people with an interest in achieving the well-being goals.



Riverside Cycle Route



Nexus House

Monitoring the Corporate Plan

Because this corporate plan spans more than one year, it will need to be reviewed regularly to adapt to ongoing changes during the lifetime of the plan and to ensure that it remains relevant to changing national priorities.



An annual statement of progress made against the objectives set will be presented to members and senior officers and published so that it can be shared with all employees and members of the public. The statement will present an open and transparent view of the how our council is working towards its vision and objectives and also how further work will be focused to ensure continued improvement. It will also show how our council maximises its contribution to the Well-being goals for Wales by applying the sustainable development principle.

Actions set out in services plans and the improvement plan will contribute to the delivery of the objectives, and these will also be presented to members for challenge and appraisal. Service plans are reviewed at the mid-year point and at the year end to assess the progress made against the actions planned and consider what future actions should be planned.

The Wales Audit Office regulates the activities of our council and will provide assurance on council's ability and progress in delivering its vision.

We value your views and opinions on the content of our Corporate Plan and the priorities that we set. Your input is welcomed and will enable us to continue to focus on the things that matter to our citizens and communities.

Please contact us at: info@newport.gov.uk

Newport City Council Well-being Statement and Objectives

This statement supports Newport City Council's Well-being Objectives. It explains:

- why we consider that our well-being objectives will contribute to the well-being goals;
- how our objectives have been set in accordance with the sustainable development principle;
- what steps we will take to meet the well-being objectives in accordance with the sustainable development principle;
- how we will govern ourselves to meet the well-being objectives;
- how we will ensure that resources are allocated annually to take steps to meet the our objectives;
- when we expect to meet our well-being objectives.

Contribution to the Well-being Goals and our consideration of the sustainable development principle

Our well-being objectives reflect our commitment to maximising our contribution to the well-being goals.

Each of our well-being objectives contributes to one or more of the well-being goals and has been set in accordance with the sustainable development principle as follows:

Newport City Council Well-being Objectives

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
1) To improve skills, educational outcomes and employment opportunities	A prosperous Wales A more equal Wales A Wales of cohesive communities	<p>Long Term - Economic forecasts have identified future trends such as the increasing skills demands of employers and the contraction of unskilled and semi-skilled occupations. This could present a potential local and regional skills shortage for employers in the medium and longer term. In order to remain competitive the Newport workforce will need to respond to the skills demands of modern industry and services.</p> <p>Prevention – The Community Well-being profile points to pockets of deprivation and significant variances of opportunity and quality of life between different areas of the city. Newport will need to make sustained progress in tackling NEET (not in education or employment) rates, youth unemployment, and skills attainment and relevance if future generational cycles of poverty are to be avoided. Addressing skills requirements will prevent potential skills shortages in the future that could inhibit economic growth.</p> <p>Integration – This objective complements and supports our other Well-being Objectives:</p>	<p>The Wales We Want Future Generations Report states that children need to be given the best start in life from very early years, and that the well-being of all depends on reducing inequality and a greater value on diversity</p> <p>Through the highest standards of education and skills development, we can help children in Newport reach their potential, increase their employment opportunities and prosperity later in life.</p> <p>Through an emphasis on improving skills and educational outcomes we will also be promoting equality of opportunity and contributing to a more equal Wales.</p> <p>In addition, we will be up-skilling and strengthening the workforce to the benefit of industry and society in Newport and Wales as a whole.</p>

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
		<p>education and employment are key determinants of health; a skilled workforce will support business growth and help attract inward investment; good education and employment opportunities will help maintain cohesive communities.</p> <p>Collaboration – Successful achievement of this objective will require collaboration with partners including schools, further and higher education, training providers, employers, Job Centre Plus and Careers Wales.</p> <p>Involvement – Engagement with businesses and the education sector will be key to ensuring the most appropriate education and training offer is available.</p>	
2) To promote economic growth and regeneration whilst protecting the environment	A prosperous Wales A resilient Wales A globally responsible Wales A Wales of vibrant culture and thriving Welsh Language	<p>Long Term –The objective seeks to create prosperity and quality of life for the people of Newport now and in the future. Identified growth sectors, including renewables and technology, are key to rebalancing the city's economic activity for the longer term and moving away from current over-reliance on the public sector.</p> <p>The objective encourages investment in future proofing the city's infrastructure in areas such as road, rail maintenance and flood defences, while potential transformational investment projects as</p>	<p>The Wales We Want Future Generations Report states that:</p> <ul style="list-style-type: none"> Investing in growing our local economy is essential for the well-being of future generations Living within global environmental limits, managing our resources efficiently and valuing our environment are critical. <p>This Well-being Objective addresses both these issues.</p>

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
		<p>part of the City Deal and Great Western Cities look forward over 20 years. Growing the city's tourism economy has the added benefit of protecting the city's natural and heritage assets for the long term.</p> <p>Prevention – Regeneration and economic growth will reduce risks of city decline, particularly in the city centre, and help prevent increased unemployment / reduced quality of life.</p> <p>Collaboration – Working in collaboration with Welsh Government, business, education and training providers and Natural Resources Wales will be essential to achieving this objective. Working with City Deal and Great Western Cities partners will optimise economic benefits for Newport and the region.</p> <p>Integration – Integration with Newport's Economic Growth Strategy, the Local Development Plan and all our Well-being Objectives.</p> <p>Involvement – Engagement activity pointed to a desire for more city centre investment and for more job opportunities. Looking after the city's green infrastructure was also one of the most frequently cited "wants" for the future.</p>	<p>Our intended focus on the innovative renewable energy and digital sectors which build on existing strength, offer opportunities for growth and seek to protect the environment will contribute to creating a prosperous Wales, a resilient Wales and a globally responsible Wales.</p> <p>The objective recognises that protecting our green infrastructure and our heritage / cultural assets is fundamental to our tourism economy, as well as contributing to health and well-being and supporting our inward investment offer.</p>

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
3) To enable people to be healthy, independent and resilient	A healthier Wales A resilient Wales A more equal Wales A prosperous Wales A Wales of cohesive communities A Wales of vibrant culture and thriving Welsh Language A globally responsible Wales	<p>Long Term – Life Expectancy and Healthy Life Expectancy are increasing in Newport, however there continues to be significant health inequalities between those living in areas of the highest levels of deprivation compared with those living in areas of lower deprivation. The latest life expectancy data shows an inequality gap of 9.9 years for men and 7.2 years for women. As for healthy life expectancy the inequality gap is 18.2 years for men and 20.1 for women. With an ageing population it is important to enable people to be as well as possible now and in to the future and provide support along the way when appropriate. This will reduce the dependency and pressure on more acute services going forward.</p> <p>Prevention – Applying a preventative approach to health is paramount to enabling people to manage their own health and wellbeing and preventing illness. Evidence suggests that people adhering to healthy lifestyle behaviour are less likely to develop life threatening diseases such as cancer, cardiovascular disease and dementia.</p> <p>Integration – This objective supports The Healthier Wales Wellbeing Goal but support most of the others. Good physical and mental wellbeing enable people to participate fully in all aspects of life across the wellbeing goals (economic, social,</p>	<p>How healthy, independent and resilient people are has a wider impact on all other aspects of their life. Whether they can work, attend education, take part in social activities and contribute to their communities is all influenced by this objective. This is why this objective is fundamental to all the Well-being Goals.</p> <p>The Wales We want Future Generations Report states that:</p> <ul style="list-style-type: none"> • Children need to be given the best start in life from very early years • Well-being of all depends on reducing inequality and a greater value on diversity <p>We recognise the importance of prevention at an early age to improve and maintain well-being and to help tackle inequalities</p>

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
		<p>cultural and environmental).</p> <p>Collaboration – Working together with partners such as Aneurin Bevan University Health Board, Public Health Wales and the 3rd Sector is essential to achieving this objective.</p> <p>Involvement – Feedback from engagement activity suggests more support to vulnerable or disadvantaged groups including people with disabilities for the future.</p>	
4) To build cohesive and sustainable communities	<p>A more equal Wales</p> <p>A Wales of cohesive communities</p> <p>A Wales of vibrant culture and thriving Welsh Language</p> <p>A globally responsible Wales.</p>	<p>Long Term – Recent engagement identified that an increased focus on strengthening community resilience and building on their assets was required in the next 20 years. Relevant activities include promotion of parks and open spaces, promotion of the Welsh language, land use planning for sustainable communities, prevention of youth offending.</p> <p>Prevention, relevant activities include – deliberate fire starting, youth offending, antisocial behaviour (ASB), PREVENT programme, homelessness prevention</p> <p>The recent work to tackle community safety/cohesion issues in Pill recognises the need for a long term vision and strategy, which</p>	<p>The Wales We want Future Generations Report states that:</p> <ul style="list-style-type: none"> • Future generations need thriving communities built on a strong sense of place • Well-being of all depends on reducing inequality and a greater value on diversity • Celebrating success, valuing our heritage, culture and language will strengthen our identity for future generations • Greater engagement in the democratic process, a stronger citizen voice and active participation in decision making is fundamental for the well-being of future

NCC Well-being Objective	Well-being Goal	Why we've chosen it	Contribution to Well-being Goals
		<p>integrates with the economy and skills and health and wellbeing work areas, based on prevention and intervention e.g. youth offending. Furthermore this work will need to involve the community in identifying and addressing the issues that concern them. Success will depend on strong collaboration between public services, the third sector and the community.</p> <p>Integration/collaboration, relevant activities include – land use planning strategy, holistic strategies to tackle ASB, integrated youth offending services, multi-agency community cohesion programmes.</p> <p>Involvement – multi-agency engagement processes and arrangements are being developed. The engagement on the Wellbeing Assessment marked a new collaborative approach and increased the involvement of hard to reach groups. Engagement activity has suggested that maintaining community networks, families and activities was important. A reduction in crime and antisocial behaviour came out also came out strongly.</p>	<p>generations</p> <p>The Community Wellbeing Profile (CWP) noted a small decrease in the proportion of Welsh speakers in the Newport population, and a Welsh Language Strategy is in place to promote the use of Welsh and supporting Welsh medium education. The CWP also noted public concerns about crime and antisocial behaviour and some evidence of racial/ethnic tensions. CWP engagement work also noted the importance the public placed on cultural assets e.g. libraries, theatre, open spaces in terms of community cohesion and wellbeing.</p>

The steps we will take to achieve our Well-being Objectives

Wellbeing Objective 1 – To improve skills, education and employment opportunities

The steps:

1	Improve school attainment levels and ensure best educational outcomes for children
2	Support young people into education, employment and training
3	Reduce inequalities in education by improving educational outcomes for pupils disadvantaged by poverty
4	Improve basic skill levels and increase personal capacity to assist more people to enter sustained employment, training or education
5	Produce and implement a strategy for the delivery of Adult Community Learning and lifelong learning opportunities
6	Development of digital skills through support for schools and community IT programmes including a Digital Inclusion Charter
7	Improve school attendance, reduce exclusions and improve safeguarding and wellbeing

Wellbeing Objective 2 – To promote economic growth and regeneration whilst protecting the environment

The steps:

1	Specialise in high value business growth
2	Grow the economy as part of the wider region – collaboration for competition
3	Promote and innovate for entrepreneurship, support indigenous development
4	Create an economic environment to support population growth
5	Deliver a digital strategy with improved connectivity in the city with access for citizens, partners and businesses
6	Recognise and promote the importance of fast, reliable and frequent public transport links for the connectivity of the city
7	Maintain our focus on regenerating the city centre to become one of the UK's top cities
8	Maximise environmental opportunities
9	Work with communities and schools on a range of countryside, biodiversity and recycling related matters
10	Increase household recycling and divert waste from landfill
11	Protect and promote local built and natural assets and cultural heritage
12	Support compliance within reputable businesses and investigate rogue traders to maintain a fair and safe trading environment

Wellbeing Objective 3 – To enable people to be healthy, independent and resilient
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The steps:

1	Support people to remain living independently in their homes and communities
2	Work with partners to promote healthy lifestyles and support the prevention, early intervention and self-management of illness
3	Support children to remain safely with their families
4	Support all schools to work towards the National Quality Award for Healthy Schools
5	Work towards Newport becoming a recognised Dementia Friendly City
6	Improve opportunities for Active Travel
7	Regulate residential dwellings to ensure provision of safe homes
8	Work towards improved air quality
9	Regulate businesses and support consumers/residents to protect and improve health

Wellbeing Objective 4 – To build cohesive and sustainable communities
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The steps:

1	Deliver a community cohesion programme that creates opportunities for communities to interact with one another
2	Prevent offending and re-offending of young people
3	Develop sustainable communities through the provision of good quality, accessible and affordable housing
4	Prevent and tackle instances of antisocial behaviour impacting upon the residents and the business community including general poor behaviour, noise nuisance, fly tipping, illegal alcohol sales to children and doorstep crime
5	Work with key partners to tackle antisocial behaviour and crime, and improve community cohesion and wellbeing in Pillgwenlly, and use this area focussed model to inform potential future programmes in other areas of Newport.
6	Work towards increasing the number of Welsh speakers and promote the Welsh language in all parts of life
7	Deliver a sustainable library service and varied cultural offer
8	Work with key partners to promote the city's parks, open spaces and coastal path
9	Develop opportunities for community involvement, participation and engagement

How we will involve people with an interest in achieving the well-being goals and how those people will reflect the diversity of the area

In response to the increased prominence Wellbeing of Future Generations Act places on involvement and engagement the Policy, Partnership and Involvement team has set up a multi-agency engagement group to share resources, coordinate activities and improve access to hard to reach groups. This group coordinated public engagement on the Community Wellbeing Profile and will continue to plan future engagement work. By working with partners particularly in the third sector, the Council and PSB have been able to make use of the community reach, expertise and links with different groups.

The Community Wellbeing Profile engagement programme was planned to include opportunities to involve a diversity of the population, which included age ranges, young people and families, BME groups, disabled people, older people, LGBT communities and people with English language difficulties. This contributed to a response rate approaching 1,800. This approach will be further developed in the future. In addition to this emerging areas of work are presenting opportunities for enhanced engagement e.g. through youth forums and with local resident groups (Pill Area Focus work) and community asset transfer models (Maindee Unlimited).

Governance

The Council is publishing its Well-being Objectives by 31 March 2017. However, post the local government elections in May 2017, the new administration will have the opportunity to review them, revise them if necessary and adopt them as part of the development of the Corporate Plan.

The Well-being Objectives will be delivered alongside all other council work included in the Service Plans for 17/18. The service plan template has been amended to put the Well-being of Future Generations (Wales) Act 2015 at the centre of service area planning. Service plans are developed for a one year period at the beginning of each financial year. They are subject to the usual governance arrangements, consideration by Scrutiny and approved by Cabinet Member.

Progress against Well-being Objectives will be monitored in the following ways: reports to Cabinet, in depth monitoring for each Well-being Objective, mid-year and year end monitoring of Service Plans through Scrutiny and Cabinet Member update reports on the Improvement Plan and performance monitoring reports to the Corporate Management Team.

The Council will publish a Well-being Annual Report and Performance Assessment.

Work is ongoing to examine our existing approaches and make changes to ensure that in our ways of working we are compliant with the requirements and embracing the spirit of the Act, Support for this includes changes to key processes and documentation and engagement with partner organisations.

Resource allocation

The Medium Term Financial Plan drives the council's financial planning and annual budget preparation. A key objective of the plan is to ensure that council priorities and plans are funded. It is updated annually and enables the council to review the financial challenges over the medium term.

Resource allocation will be managed through the annual service planning process which considers resources and from 2017-18 will link clearly with Wellbeing Objectives. This is also supported by the Improvement Plan, which through 2017-18 will be further aligned with the Well-being Objectives in line with national guidance.

Timescales

The Council will achieve its objectives within the medium term with demonstrable progress made over the life of the Corporate Plan 2017 – 2022. The objectives will be reviewed following local government elections 2017 through the new corporate plan development.

The Well-being Objectives as set out in this statement also link to existing work with timescales as set out in the Improvement and service delivery plans. Business cases for change will also need to consider the requirements of the Act.

Report

Cabinet

Part 1

Date: 24 August 2017

Subject Annual Review of the 2016-18 Improvement Plan

Purpose To inform Cabinet of the progress made towards the delivery of the 2016-18 Improvement Plan

Author Rhys Cornwall, Head of People and Business Change
Mike Dickie, Business Service Development Manager
Rachel Kalahar, Senior Performance Management Officer
Catherine Davies, Performance Management Officer

Ward All

Summary

- Under the Local Government Measure 2009, Local Authorities have a duty to make arrangements to secure continuous improvement and to account for it.
- In April 2016 full Council approved the eight Improvement Objectives in the Improvement Plan for 2016-18.
- The Improvement plan 2016-18 sets objectives for a 2 year period
- This report offers details of our progress in delivering the Improvement Objectives described in the Improvement Plan during the first year (2016-17).
- Overall progress against the plan for 2016-17 is assessed as being 'good', with most Improvement Objectives performing well, Excellent progress has been made for the objective 'Ensuring people have the right social services to meet their needs'.
- 2016/2017 is the sixth consecutive year where the number of informal (stage 1) complaints received has decreased since recording of the corporate process began in 2011.

Proposal Cabinet is asked to consider the contents of the report, to commend areas of successful service delivery and to recommend the report to Council.

Action by Council

Timetable Immediate

This report was prepared after consultation with:

- Chair of Cabinet
- Cabinet

- Chief Executive
- Strategic Directors
- Heads of Service
- Service Managers

Signed

Background

Appended to this report is a review of the progress made against the Improvement Plan during 2016/17. This document enables the council to fulfil its statutory duty to make arrangements for continuous improvement and to account for them.

The review details progress towards the eight Improvement Objectives identified in the Improvement Plan 2016-18 which spans 2 years and an assessment of how successful the council has been in delivering them during the first year. The eight Improvement Objectives are linked to the six themes in the Corporate Plan 2012-17.

Overall progress against the plan during 2016/17 is assessed as being 'good', with most Improvement Objectives performing well; the objective: 'Ensuring people have the right social services to meet their needs' was assessed as excellent.

National Measures

The council also reports some performance indicators nationally; these are Public Accountability Measures (PAM) and Social Services Performance Measures (SSPM). Performance for these measures in 2016/17 has also been assessed. PAMs and SSPMs will be referred to as national measures in this report.

All Wales data for 2016/17 will be provided in a separate report once the data has been released by the Data Unit Wales.

Financial Summary

There are no direct financial implications from this report.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
That the council's plans and projects do not have the desired impact on the city	H	M	The council will assess the impact of its actions on an on-going basis and enable adjustments to actions and policies to be brought forward as the need arises	Heads of Service / Strategic Directors
That major impacts are not properly monitored due to faulty assessment of risk and/or impact	H	L	Quarterly reporting to Cabinet, together with opportunity for scrutiny reviews will enable adjustments to monitoring regime to be implemented as the need arises	Heads of Service / Strategic Directors
That on-going monitoring impedes progress on project delivery	H	L	The assessment criteria for monitoring progress are designed to ensure monitoring is proportionate to impact and purpose. This will be reassessed as part of the on-going reporting process	Cabinet / Strategic Directors

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

This report directly links with all of the council's priorities identified in the Corporate Plan and the Improvement Plan 2016-18.

As outlined in the report there is also a link to the Well-being Objectives agreed in March 2017, these will form part of the new Corporate Plan and Improvement Plan from 2017 onwards.

Options Available and considered

1. To recommend the report to Council
2. Not to recommend the report to Council

Preferred Option and Why

Preferred option is 1. Recommending the report will enable the council to fulfil its statutory duty and to publish the report before the deadline of 31st October 2017.

Comments of Chief Financial Officer

The financial implication of individual projects relating to the Improvement Plan are reported as part of the on-going medium term financial planning and budget monitoring processes and in that respect, having clear responsibility and accountability for delivering the projects and managing resources is key.

Comments of Monitoring Officer

The details set out in this report reflect the requirements of the Local Government Measure. The approach for monitoring progress against corporate priorities and strategies is consistent with the council's performance management framework and risk management principles

Comments of Head of People and Business Change

There are no direct staffing implications as a result of this report. The Improvement Plan 2016-18, gives clarity of vision which should help employees, managers and stakeholders understand our corporate priorities, how they are being assessed and what this means for individuals.

The Improvement Plan 2016-18 demonstrates the council's commitment to improving the lives of citizens and also plays a part in the council's contribution to the Wellbeing of Future Generations (Wales) Act 2015, the Sustainable Development Principle has been considered during the development of the plan and its objectives. The improvement objectives will also contribute to the council's wellbeing objectives which form the basis of the Corporate Plan 2017. Ultimately they will add value to the council's contribution to the Wellbeing Goals for Wales, ensuring that the needs of current generations are met without compromising the ability to meet the needs of future generations.

Comments of Cabinet Member

The Chair of Cabinet has been consulted and has agreed that this report goes forward to Cabinet for consideration.

Local issues

No local issues.

Scrutiny Committees

Street Scene, Regeneration and Safety Scrutiny Committee, Draft Improvement Plan 2016-18

Community Planning and Development Scrutiny, Draft Improvement Plan 2016-18

Learning, Caring and Leisure Scrutiny Committee, Draft Improvement Plan 2016-18

Equalities Impact Assessment and the Equalities Act 2010

An EIA was completed for the Improvement Plan 2016/17

Children and Families (Wales) Measure

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

Wellbeing of Future Generations (Wales) Act 2015

The Wellbeing of Future Generations Act 2015 came into force in April 2016, this sets the context for the move towards long term planning of services.

The Improvement Plan objectives directly contribute to each of the council's well-being objectives and the overall well-being goals for Wales.

Well-being Objective	Contribution to Well-being Goals	Link to Improvement Plan Objective
To improve skills, educational outcomes and employment opportunities	A prosperous Wales A more equal Wales	4 – City Regeneration and Development 5 – Supporting young people into education, employment or training 6 – Ensuring the best educational outcomes for children
To promote economic growth and regeneration whilst protecting the environment	A prosperous Wales A resilient Wales A Wales of vibrant culture and thriving Welsh Language A globally responsible Wales	4 – City Regeneration and Development 7 – Increasing recycling
To enable people to be healthy, independent and resilient	A healthier Wales A resilient Wales A more equal Wales A prosperous Wales A Wales of cohesive communities	1 – Improving independent living for older people 2 – Ensuring people have the right social services to meet their needs

	A Wales of vibrant culture and thriving Welsh Language A globally responsible Wales	
To build cohesive and sustainable communities	A more equal Wales A Wales of cohesive communities A Wales of vibrant culture and thriving Welsh Language A globally responsible Wales	3 - Ensuring people have access to suitable accommodation 8 – Preventing Offending and Re-offending of young people 4 – City Regeneration and Development

Crime and Disorder Act 1998

Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area.

Consultation

The objectives in the improvement plan were chosen based on the results of consultation with the public, members and staff.

Background Papers

Council Report "Corporate Plan 2012-2017" (25/09/12)
Cabinet Report: Improvement Plan Priorities 2016-18
Street Scene, Regeneration and Safety Scrutiny Committee, Draft Improvement Plan 2016-18
Community Planning and Development Scrutiny, Draft Improvement Plan 2016-18
Learning, Caring and Leisure Scrutiny Committee, Draft Improvement Plan 2016-18
Performance Board, Draft Improvement Plan 2016-18
Cabinet Report: Improvement Plan 2016-18
Cabinet Report: Improvement Plan Quarter 1 Update (17/09/16)
Cabinet Report: Improvement Plan Quarter 2 Update (01/12/16)
Council Report: Improvement Plan Review for 2017-18 (23/01/17)
Council Report: Improvement Plan Quarter 3 Update (20/03/17)
Council Report: Improvement Plan Quarter 4 Update (14/06/17)

Dated:

Annual Review of the Improvement Plan 2016-18

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Summary

The following report outlines progress the council has made in the first year against achieving the goals set out in the 2016-18 Improvement Plan.

The 2016-18 Improvement Plan was based on the key themes that form the Corporate Plan 2012-17; the change this year has been that there are eight Improvement Objectives spread across the themes and the Improvement Plan is set for a two year period. The performance for each objective is summarised below.

The 2016-18 Plan has been successful during the first year and has achieved an overall rating of good – green. Despite an ever increasing drive to realise savings and an unprecedented internal economic climate, the Plan demonstrates solid performance. Overall progress against the Improvement Plan Objectives in 2016/17 is assessed as being 'good', with most Improvement Objectives performing well. A key area of excellent progress is 'Ensuring people have the right social services to meet their needs'.

Each of the eight Improvement Plan objectives is linked to a Corporate Plan theme as listed below:

Corporate Plan theme: A Caring City

- 1. Improving independent living for older people**
- 2. Ensuring people have the right social services to meet their needs**

Corporate Plan theme: A Fairer City

- 3. Ensuring people have access to suitable accommodation**

Corporate Plan theme: A Learning & Working City

- 4. City regeneration and development**
- 5. Supporting young people into education, employment or training**
- 6. Ensuring the best education outcomes for children**

Corporate Plan theme: A Greener and Healthier City

- 7. Increasing recycling**

Corporate Plan theme: A Safer City

- 8. Improving outcomes for youth justice**

Progress against objectives

The following outlines the progress made in each of the objectives as listed under their Corporate Plan theme.

Newport is a Caring City

1. Improving independent living for older people – Acceptable - Amber

Objective: Working with Aneurin Bevan University Health Board and partner agencies Neighbourhood Care Networks (NCN's) have been developed comprising all Primary Care, health and social care community providers operating across the West, East and North of the city with boundaries which broadly coincide with the Team around the Cluster boundaries, and they have a adopted range of priorities to improve the health and wellbeing of the population, many of which are contributors to the Health and Wellbeing theme work to deliver the Newport Single Integrated Plan.

This objective is rated amber – acceptable; There has been a positive improvement overall, all actions are on track; however, there are 2 red measures.

2. Ensuring people have the right social services to meet their needs – Excellent – Green Star

Objective: We will help people identify and fulfil the outcomes they want to achieve, where possible utilising their ideas and preferences with an emphasis on co-production and use their own ideas and resources. We will help people with care and support needs to stay safe whilst promoting their independence and control whilst supporting positive risk taking through the provision of high quality care and support services.

This objective is rated Green Star - excellent; All actions and measures are on track.

Newport is a Fairer City

3. Ensuring people have access to suitable accommodation – Good – Green

Objective: To ensure that people have access to suitable accommodation. For most people, their homes are the foundation for everyday life and are critical to their quality of life. Most households are able to find homes through owner-occupation, the social rented sector or, increasingly, the private rental market but we need to make sure that the supply of housing is aligned to local housing needs and that there is help available for individual households who cannot find homes or whose housing is unsuitable, in poor condition or at risk.

This objective is rated green - good; All actions are on track, good progress has been made throughout the year.

Newport is a Learning and Working City

4. Developing and regenerating the City – Good – Green

Objective: The objective goes hand-in-hand with the delivery of the Council's ten-year Economic Growth Strategy 'People, Places, Prosperity', which will continue to drive Newport forward as 'an area of visible change, with high aspirations, high achievement and shared prosperity'.

This objective is rated green - good; All actions are on track, good progress has been made throughout the year.

5. Supporting young people into education, employment or training – Good - Green

Objective: Evidence from work undertaken by Professor David Egan (on behalf of the Joseph Rowntree Foundation) suggests that efforts to prevent young people from becoming NEET have a more profound long term impact than work undertaken to support young people who are NEET back into provision. The Improvement Objective of 'Supporting Young people to remain within education, employment or training' focuses on early identification, information sharing and additional, specific provision to meet the needs of young people.

This objective is rated green - good; All actions are on track, good progress has been made throughout the year.

6. Ensuring the best educational outcomes for children – Good - Green

Objective: To ensure all our pupils are effectively engaged in education so that they can attain the best possible educational outcomes. This includes vulnerable learners that may be at risk of not reaching their expected level of attainment.

This objective is rated as green - good; All actions are on track, good progress has been made throughout the year.

Newport is a Greener and Healthier City

7. Increasing recycling – Good - Green

Objective: To ensure Newport delivers the Welsh Government objectives for the increasing of recycling and the European targets for diversion of waste from landfill, every recycling and diversion opportunity available to the city must be explored and where applicable, implemented. The diversion of residual municipal waste from landfill will largely be covered by the operation of Prosiect Gwyrdd and Cwm-y-Fory. Therefore, this objective will largely focus on encouraging businesses and residents within the city to recycle more which will maximise the potential currently being classified and treated as residual waste.

This objective is rated as green - good; All actions are on track, good progress has been made throughout the year.

Newport is a Safer City

8. Improving outcomes for youth justice- Acceptable - Amber

Objective: The principle aim of the youth justice system, established by section 37 of the Crime and Disorder Act 1998, is to prevent offending by children and young people. This relates to prevention of antisocial behaviour and offending; appropriate use of Out of Court Disposals to divert young people from the criminal justice system; reducing the rate of proven re-offending and reducing the proportion of young people sentenced to custody. In line with Welsh Government and Youth Justice Board policy, we believe that prevention is better than cure and that children are young people first and offenders second.

This objective is rated amber – acceptable; There has been a positive improvement overall, however, some actions are falling short of planned outcomes and there are 3 red measures.

Summary Table of Progress Against Improvement Plan Objectives

<i>Report produced in...</i>	<i>September</i>	<i>December</i>	<i>March</i>	<i>June</i>
<i>To show status for....</i>	<i>Q1 Apr-Jun</i>	<i>Q2 Jul-Sept</i>	<i>Q3 Oct-Dec</i>	<i>Q4 Jan-Mar</i>
1. Improving Independent Living for Older People	Green	Green	Green	Amber
2. Ensuring people have the right social services to meet their needs	Amber	Green	Green	Green Star
3. Ensuring people have access to suitable accommodation	Green	Green	Amber	Green
4. City Regeneration and Development	Amber	Green	Green	Green
5. Supporting young people into education, employment or training	Green	Green	Green	Green
6. Ensuring the best educational outcomes for children	Green Star	Green	Green	Green
7. Increasing recycling	Amber	Green	Green	Green
8. Improving outcomes for youth justice	Green	Green	Green	Amber
OVERALL	Good	Good	Good	Good

National Measures summary

In 2016/17 there were 46 National Measures, these include Public Accountability Measures (PAMs) and Social Service Performance Measures (SSPMs). The points below highlight the council's performance in 2016/17 for the national measures overall:

- 45.6% of national measures have performed better than target
- 48% of national measures have performed better than last year (25 measures with comparable data)

All Wales data for 2016/17 will be provided in a separate report once the data has been released by the Data Unit Wales. All Wales data is due to be released 13th September 2017.

WAO proposals for improvement

During 2013/14 the council received its Corporate Assessment from the Wales Audit Office (WAO) containing six recommendations for action. Progress has been made towards delivering the Wales Audit Office proposals for Improvement and recommendations.

The WAO returned to conduct a follow-up review of the Corporate Assessment 2014/15, this resulted in removal and revisions to the original recommendations and PFIs and the addition of a recommendation. A further review of the Corporate Assessment was carried out by the WAO in 2015/16; this reduced the number of recommendations from 7 to 4 which shows that the council has improved despite continuing financial and legislative pressures.

Additional detail on these actions can be found at the end of this report.

Links and further information:

[Improvement Plan 2016-18](#)

[Improvement Plan Summary 2016-18](#)

[Corporate Plan 2012-2017](#)

[Performance Management webpages](#)

Have your say

Newport City Council is committed to improving our services and it is important that we listen to what the community have to say. We welcome your comments or suggestions at any time of the year.

If you have any comments, would like any further information, or to request a copy of this Improvement Plan review please contact:

Corporate Performance Team
Newport City Council
Civic Centre
Newport
NP20 4UR

Email: performance.management@newport.gov.uk

Telephone: 01633 656656

Improvement Objectives in Detail

This section discusses the Improvement Objectives in more detail. An overall assessment of each of the objectives has been made based on the following:

An overall evaluation of progress is made using the following criteria.

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

- Key for measure RAG status**
- ★ Green - on target
 - Amber - slightly short of target (15% tolerance)
 - ▲ Red - off target (over 15% away)
 - ❓ Pink - Data missing/ not available
 - ! Yellow - no target set
 - DoT - Direction of Travel, up arrows indicate bigger values are better, down arrows indicate smaller values are better
 - ➡ Black - performance remains the same
 - ✓ Green Ticks - performance has improved
 - ✗ Red Crosses - performance has declined
 - » New measure – no comparable data

Improvement Objective 1

IP1 Improving independent living for older people

Lead Cabinet Member	■ Cabinet Member for Social Services
Lead Officer	■ Head of Adult and Community Services

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Amber - Acceptable	●	<p>This target is made up of 5 measures.</p> <p>Telecare and Reablement where there is no package of care after 6 months are both above target.</p> <p>OT assessments and reviews are just below target at 83.5% with a target of 85%</p> <p>The two red measures are annual and have both been introduced by the Social Services & Well Being Act.</p> <p>1) The reablement reduced package of care after 6 months</p> <p>This measure only looks at people without a care and support plan at the point of reablement and there are only 5 in total - of the 5 only 2 had a reduced package of care thereby giving a 40% performance figure against a target of 65%. The total number of people who had a period of reablement in the first 6 months of the year was 234 so this measure does not reflect how many people are benefiting from the service</p> <p>Feedback from other Local Authorities about how this is reported against such small numbers has resulted in the Welsh Government changing the definition and criteria currently associated with this target for 2017/18.</p> <p>2) The number of adults received advice and assistance without a repeat contact within 6 months.</p> <p>This was a new measure and there was no baseline upon which to assess expected performance. The way in which this data is collected means that we are unable to separate contacts that come in for the same issue within the 6 month timeframe so it distorts our final performance figures. Currently we have achieved 40.3% against a 50% target so this provides us with a baseline upon which to base our 17/18 target.</p>

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

Measures

	to Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago	DoT	Wales Average (YTD)	Perf. v Wales Average (YTD)	
ACS/20a reablement reduced package of care and support (M)	40.0%	65.0%	▲		»		!	
ACS/20b reablement no package of care and support (IP1d) (A)	77.8%	40.0%	★		»		!	
ACS/23b Adults who received advice and assistance no repeat contact (over 75) (IP1e) (A)	40.3%	50.0%	▲		»		!	
CCAS/L/026 OT Assessments & Reviews (IP) % (M)	84.1%	85.0%	●	93.3%	✓		!	
SSL/015 telecare package # (IP1a) (M)	1,113	1,000	★	893	✓		!	

Actions

Key for Actions
 ★ Green - on track
 ● Amber - Deviation from Plan
 ▲ Red - Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
✓ IP 1.1 To deliver an integrated assessment process for older people	★	All training sessions have now been delivered	Work is ongoing to support full implementation and quality assure the new assessment and recording of outcomes.
✓ IP 1.2 To roll out the integrated pathway for older people	★	<p>700 older people now have a stay well plan in Newport. The project is now in 10 out of 20 GP surgeries. A patient/carer reference group is established to aid co-production.</p> <p>1,285 people have been contacted by the project. Initial evaluation data shows that there has been a significant reduction in the number of A&E attendances with those who have a StayWell Plan in place and a reduction in the number of Frailty episodes.</p> <p>Also a lower number of people accessing Social Services with a Stay Well Plan when compared to those who do not have a Stay Well Plan.</p> <p>No admissions to residential care for those with Stay Well Plans.</p>	<p>To provide a full evaluation of the project (ABci consultants currently developing the data). To continue to monitor the number of admissions and re-referral to Frailty.</p> <p>To further extend the project to GP's surgeries</p> <p>Further updates against ongoing progress will be reported within the 17/18 service plan for adults services</p>
✓ IP 1.3 Restructure the operational adult social services teams on the NCN footprints.	★	<p>The re-structure is complete.</p> <p>3 NCN Teams are operational, North, East & West. Workflow processes are in place.</p>	Work will continue to monitor demand and capacity within the teams

Improvement Objective 2

IP2 Ensuring people have the right social services to meet their needs

Lead Cabinet Member

■ Cabinet Member for Social Services

Lead Officer

■ Head of Adult and Community Services

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green Star - Excellent	★	<p>This objective consists of 4 measures,</p> <p>Adult Protection is green - 7.8% above target</p> <p>DTOC is green - operating at 1.96 per 1000 aged over 75 of the population - The target at the end of March is 4. Currently under the target demonstrating good performance.</p> <p>Number of integrated assessments completed per month is green - the target is 40 per month and is cumulative. The target for the end of quarter 4 is 480 and we have completed 1,386.</p> <p>This figure has been unusually inflated because of the requirements of the Social Services & Well Being Act that required new assessments to be completed to enable the new care & support plans to be recorded on the system.</p> <p>Number of assessments for carers is a quarterly report - currently green - the cumulative target for the end of quarter 4 is 80 and we have achieved 101.</p>

Measures

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

	Mar 2017							
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	Period Performance
ACS/18 The percentage of adult protection enquiries completed within 7 days (SSPM, IP2) (M)	97.8%	90.0%	★		?		!	
ACS/19 PAM/025 Delayed Transfers of Care (SSPM, PAM, IP2, SP) # (M)	2.04	4.00	★	4.29	✖	58.44	★	<p>Measure 19 - Delayed Transfer of Care</p> <p>This measure has been updated with the figures from April 2016 to March 2017 as provided by Stats Wales.</p> <p>However the final verified figure will be post populated by WG after the final submission date of 31/05/2017.</p> <p>In Phase will be updated to reflect the validated WG figure once available.</p>
ACS/L/24 Number of assessments of need for support for carers (IP2) (Q)	157.00	80.00	★		?	n/e	n/e	<p>When this PI data was collected for Q1 to Q4 the guidance was not clear hence only clients with Carers specialist assessments were counted. At end of year on the return documentation cares with a proportionate assessment should also be included.</p> <p>Hence there were a further 56 identified carers proportionate assessments which took place in the year. These 56 have been added to the Q4 figure to ensure the NCC figure is in line with the data sent to WG.</p>
CCAS/L/027 Number of integrated assessments completed per month (IP2) (M)	1,386	480	★		?		!	

Actions

Key for Actions
 ★ Green - on track
 ● Amber - Deviation from Plan
 ▲ Red - Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
<input checked="" type="checkbox"/> IP 2.1 Establish the pathway for adult social services across health and social care	★	Project Team in place to facilitate the move towards WCCIS - an integrated health and social care management system	Work will continue to ensure a smooth transition locally and to engage with Regional and National workstreams to ensure Newport is able to capitalise on the opportunities that an integrated health and social care data capture system will offer.
<input checked="" type="checkbox"/> IP 2.2 Restructure the operational adult social services teams.	★	The operational re-structure is complete. Three NCN teams are in place, workflow processes are fully functional	<p>Workflow processes will offer better opportunities to monitor and manage demand and capacity.</p> <p>As part of the data cleanse aspect of WCCIS implementation the closure of all non-current files will enable better performance management reporting around demand and enable robust service planning around issues of capacity</p>
<input checked="" type="checkbox"/> IP 2.3 Develop and implement the integrated assessment tools	★	New Act compliant documentation has been implemented across the service area and over 80% of all service users are in receipt of a new Care & Support Plan (CASP)	<p>To continue to monitor the quality of recording and outcome measurement and develop techniques to support the performance management framework within the new WCCIS system</p> <p>To offer continued support to staff to ensure all are appropriately skilled and competent in recording all active cases on the new documentation within WCCIS</p>

<p>✓ IP 2.4 Review and recommission services as necessary</p>	<p>★</p>	<p>Newport Support Partnership is in place and a new Third Sector mental health consortium that operates across Gwent. The new consortium operates on the same basis as the Newport Support Partnership. The focus is prevention and access is via a single point of contact. The service was commissioned jointly with Health.</p> <p>Commissioning processes for domiciliary care, family aide and support for children and families are nearing completion.</p>	<p>To continue to engage with Regional and National workstreams i.e domiciliary care review and commissioning of residential care services, establishing pooled budgets in line with the requirements of the Act.</p> <p>To continue to deliver efficiencies and quality within the delivery of care through the application of commissioning and contract monitoring processes</p>
<p>✓ IP 2.5 Review and develop our systems and processes</p>	<p>★</p>	<p>WCCIS implementation project is underway and transition plan is in place. Workstreams include:</p> <ul style="list-style-type: none"> Training Business processes Data Migration Communications 	<p>To continue to progress with transition planning to facilitate WCCIS implementation late in 2017/18</p> <p>To continue to work with Regional & National groups to ensure a smooth transition and to further develop recording and reporting processes.</p>
<p>✓ IP 2.6 Undertake a Questionnaire of people who have a care and support plan</p>	<p>★</p>	<p>The survey has been completed -returns have been collated and submitted to the Welsh Government as required</p>	<p>Newport's survey results will be analysed as part of a National exercise to be completed by the Welsh Government - the results are not yet available.</p> <p>Newport awaits a decision on the requirement to conduct a similar survey in 2017/18</p>

Improvement Objective 3

IP3 Ensuring people have access to suitable accommodation

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

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green - Good	★	The overall green judgement is a resultant effort of achieving affordable housing units, a significant year end outcome for average adaptation installations and a number of people contacting the authority for housing advice and assistance being less than the target. It is noted that there are a couple of amber measures but they narrowly miss their target, hence the overall green judgement, as well as empty private homes being returned into use. Continued complexities and volumes of people presenting themselves homeless continues to increase across the City and is reflected in the amber performance of IP 3.3.

Measures

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

	to Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	
PAM/012 (RIH/L/044) The percentage of households for whom homelessness was prevented (Q) (PAM, IP3)	49%	50%	●		»		!	
PAM/015a (PSR/002) Adapt'ns DFG days delivery avg. (HY) (PAM, IP3, SP)	186	238	★	216	↓	241	★	Mar 2017 Progress on this measure is reported half-yearly
PAM/015b (PSR/006) Ave days non-DFG minor adapt'ns (HY) (IP3)	21	19	●	15	↓		!	Mar 2017 Progress on this measure is reported half-yearly
PLA/006 Provision of affordable housing units % (A) (NSI, PAM, SP)	22%	27%	▲	26%	↓	36%	▲	Mar 2017 Keir Duffin - Additional resource within Housing Development and Strategy would not assist an increase of the indicator to the next quartile due to such significant external factors such as land prices and affordability calculations.
RIH/L/043 No. people approaching authority for housing advice and assistance (Q) (IP3b)	2,143	2,600	★		?		!	

Actions

Key for Actions
 ★ Green - on track
 ● Amber - Deviation from Plan
 ▲ Red - Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
<input checked="" type="checkbox"/> IP 3.1 To secure additional units of affordable housing and bring empty private homes back into use	●	<p>The affordable housing element is likely to become more challenging over the coming years due to the success of the private sector housing market in Newport and improvement to the transport infrastructure. NCC and partners will need to consider all possible statutory powers in order to get close to expected targets.</p> <p>Action to return empty homes to use relies mainly on voluntary collaboration with owners; capacity within the housing team to engage with owners and provide information, advice and support is currently very limited.</p>	The council's empty homes strategy will be reviewed during the first half of 2017/18 and options set out for future action on empty homes.
<input checked="" type="checkbox"/> IP 3.2 To minimise the waiting times for major and minor adaptations	★	This Q4 update confirms that the significant improvement that has been achieved over recent years in waiting times for adaptations has been sustained.	The Private Sector Housing team is currently reviewing its tendering arrangements and will be introducing an 'e-tendering' process to realise potential for further delivery time improvements.
<input checked="" type="checkbox"/> IP 3.3 To prevent people becoming homeless whenever we can	●	<p>Homelessness prevention is a key activity within the housing service with well-established interventions that are proving effective in tackling and alleviating homelessness. There are continuing pressures however in maintaining service delivery and continuing to meet the target: the reluctance of a growing number of private landlords to accept individuals on benefits or a low income due to the perceived financial risk; many agents will only accept individuals with a guarantor in place the increase in rental costs and the gap between the LHA rate paid through Housing Benefit and the contractual rent continued pressures around welfare reform cuts and the subsequent financial pressures on households the increase in clients presenting with multiple and complex needs</p>	We need to continue delivering prevention services within the parameters of the statutory framework set out in the Housing (Wales) Act 2014 but also to consider other options to assist in seeking to manage homelessness more effectively. These will be considered during the course of the next year and a full review of homelessness will be undertaken with a view to the development of a citywide homelessness strategy during 2018 based on the findings of the review.

Improvement Objective 4

IP4 City Regeneration and Development

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

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green - Good	★	Final year of the 3-year VVP programme has concluded: - Headline indicators of commercial floor space and jobs created have exceeded targets and show positive news for the city centre - Delivery of the flagship project of Newport's VVP to redevelop 123-129 Commercial Street has been delayed due to additional funding requirements - Pending WG approval, the funding for this scheme will now move into a fourth programme year. Unfortunately, this has impacted the target investment into the city centre as the capital grant available in 2016/17 has reduced by £3.097m as a result. - Whilst the delivery of target housing units created was achieved the above scheme will also deliver an additional 38 units if approved - With the remaining 2016/17 grant allocation plus recycling of the King's Hotel Development Loan capital investment into the city centre stands at £3m for this financial year. - The overall judgement is therefore green to reflect the substantial progress made in the city centre over 2016/17.

Measures

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

	Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago	DoT	Wales Average (YTD)	Perf. v Wales Average (YTD)	
RIH/L/036 VVP - increase in city centre housing (A) (IP, SP)	57	19	★	57	➡		!	
RIH/L/040 VVP - programme delivery (A) (IP4a)	3,000,260	4,364,878	▲		?	n/e	n/e	
RIH/L/041 VVP - commercial floor space improved (A) (IP4b)	2,185	1,000	★		?	n/e	n/e	
RIH/L/042 Jobs created/enabled (VVP + Business Support) (A) (IP4c)	504	420	★		?	n/e	n/e	

Actions

Key for Actions

- ★ Green - on track
- Amber - Deviation from Plan
- ▲ Red - Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
✓ IP 4.1 Deliver VVP Programme	★	The delivery of the programme remains largely on track. Properties at 1-6 Commercial Road, the 'missing link' between the Pill EDRF regeneration area completed in 2015 and the core city centre, have enjoyed a full refurbishment. In addition, despite significant delays a new public realm area in this vicinity at the lower end of Commercial Street, which will allow events to be hosted for the first time in this part of the city. Works progress at the ambitious scheme to complete the redevelopment of Griffin Island above the High Street. These works have been undertaken through a combination of the core VVP award and the recycling of the loan facility extended to the King's Hotel development in Years 1 & 2. Unfortunately, the flagship scheme to redevelop 123-129 Commercial Street in partnership with the Pobl Group has identified a significant funding gap requiring further negotiation with Welsh Government in order that it can proceed. .	To claim down final amounts of VVP grant available in addition to funding recycled through the King's Hotel loan in accordance with programme aims and objectives. To ensure all programme outputs and evaluation are completed post programme end, and negotiate with Welsh Government to ensure the key scheme at 123-129 Commercial Street goes ahead.
✓ IP 4.2 Provision of coherent business support	★	On-going activity through the business support service has been augmented through additional VVP revenue to generate and safeguard additional job opportunities. The majority of jobs created reflect new retail or leisure businesses opening in the city centre, with further opportunities provided through construction work as a result of VVP programme delivery.	To continue agreed programme of business support activity within the city centre and ensure any legacy VVP development proceeds whilst ensuring local people are linked to opportunities in construction generated. To build in community benefit to all future procurement arising around Market Arcade.
✓ IP 4.3 Commercial floor space developed	★	A total of 685 sq m of commercial floor space in the city centre was improved in Q4 via completion of schemes at 137 Commercial Street, 1-6 Commercial Road, and numerous properties on Cardiff Road. This brings the total square meters improved over the year through completed schemes to 2185.	Capital activity will likely slow in terms of floor space refurbishment in the absence of a successor programme to VVP but the regeneration team will use this hiatus to identify and develop the next phase of projects in the city centre.

Improvement Objective 5

IP5 Supporting young people into education, employment or training

Lead Cabinet Member

■ Cabinet Member for Education and Skills

Lead Officer

■ Head of Regeneration, Investment and Housing

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green - Good	★	Quarter 4 has seen slowed performance due to changes in some SLA with the funders, however performance has continued at a steady pace. Changes that have been put in place and the launch of the new Inspire 2 Work will see performance improve.

Measures

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target





	Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	
EDU/L/067 (RIH/L/048) % young people recorded as unknown following compulsory education (A) (IP5)	0.07	0.50	★		?		!	
NEET\01 Number of young people accessing children and YP skills project (IP5) (Q)	1,204	1,000	★	1,086	✓		!	
NEET\09 % 16 - 18 yr olds not in education, employ or training (IP5) (A)	4.2%	10.0%	★	4.0%	✓		!	
NEET\11 % Young people NEET Year 13 (IP5) (A)	2.4%	4.0%	★	2.4%	✓		!	
PAM/009 Young people % NEET Year 11 (PAM, IP5) (A)	1.7%	3.5%	★	3.1%	✓		!	
RIH/L/045 Number of 16-17 year old entrants into Work Based Learning Academy (Q) (IP5)	159	150	★		?		!	
RIH/L/046 Number of 18-24 year old entrants into Work Based Learning Academy (Q) (IP5)	304	350	●		?		!	The year to date actual is demonstrating a figure of 76, however the quarterly totals are demonstrating an annual total of 304 against the target of 88. The target is on track.
RIH/L/049 Number of 16-17 year olds progressing from WBLA to further opportunity (Q) (IP5)	120	123	●		?		!	
RIH/L/050 Number of 18-24 year olds progressing from WBLA to further opportunity (Q) (IP5)	181	175	★		?		!	

Actions

Key for Actions
 ★ Green - on track
 ● Amber - Deviation from Plan
 ▲ Red - Action is of concern

Mar 2017		
Perform:	IP Progress Update	IP Activity Planned
✓ IP 5.01 YEPF Co-ordinator providing support	★ The YEPF Coordinator continued to chair allocation meetings with Secondary schools and the Pupil Referral Unit using the EI toolkit for Key Stage 3 and 4 pupils. Additional work was carried out with the Youth Offending Education Coordinator and the Looked After Children Education Coordinator to ensure the engagement of young people. The 2015 school leavers work was completed with schools and providers to ensure the data was accurate and the number of young people not engaged in education, employment and training was reduced in Year 11, 12 and 13. The exit strategy for the Life Education project was implemented resulting in a final day event for the young people. The continuation of the 16-18 practitioner group every 6 weeks whereby all young people are allocated a Lead Worker chaired by the Youth Engagement and Progression Framework Coordinator. The Youth Support Services Board commissioned 2 pieces of work for the YEPF Coordinator to support: A Local Authority review of the NEET process Youth Support Services Sufficiency Audit	Summer allocation meetings to begin using the EI for Key Stage 3 and 4. All these will be completed by the end of June. Additional groups to be worked with through the EI with the Pupil Referral Unit and the Youth Offending Service. Potential NEET meetings to be held with each Secondary School regarding the Key Stage 4 and Key Stage 5 pupils.
✓ IP 5.02 Deliver the Families First Children and Young People's Skills Project	★ Quarter 4 saw the project support an additional 226 young people, through group work and 1 to 1 intervention to improve attendance at school and gain skills to support their education. 76% have improved their attendance and	Workers will continue to work with local high schools, partners and the YEPF coordinator to identify young people at risk. Continue to target the improvement of attendance and attainment. The project will complete a procurement exercise in the next quarter to appoint a specialist organisation to address mental health issues with school children.
✓ IP 5.03 Deliver the Inspire to Achieve and Inspire to Work ESF projects	★ The curriculum week has been completed and levels 3 were achieved in Maths and English, the end of the 4th quarter have see the project in its first year support a total of 139 young people to improve attendance and gain qualifications	Qtr 1 of this year will work to secure mental health services for young people as part of the project. this will support young people to maintain education and stay engaged. Further work with year 11 pupils will continue to ensure they are able to complete qualifications and education. Inspire 2 Work has been launched and will be the transitional vehicle along side C4W to ensure children leaving school are transitioned to a support programme. Qtr 1 will see the creation of the teams and the first referrals.

✓ IP 5.04 Communities First NEET engagement project	●	The new NEET programme has been developed and SLA have been agreed. Qtr 1 of the new year will see the new programme that will concentrate more on delivering qualifications rather than just engagement.	Qtr 1 will see the launch of the new programmes, planning to deliver 1 programme by the end of the quarter. the new programme will deliver community involvement projects and qualifications/ skills for employment.
✓ IP 5.05 Deliver Communities 4 Work programme	●	C4W staff have been working with their current case loads to support people to gain employment, WG have recognised the difficulties in engaging with the targeted customer group and will therefore be re profiling the targets for the programme.	This quarter we will be re profiling the programme with WG. The team will continue to work with existing case loads until the new profiles have been confirmed.
✓ IP 5.06 Direct work with Careers Wales	★	Direct work is carried out with Careers Wales to ensure data and tracking systems are in place and working effectively to track all young people on transition. This has meant offering 16 and 17 year old people learning opportunities to enable them to re-engage into education and training opportunities. YEPF Officer in place for data analysis. Data analysis is carried out and reported on for all young people in the 5 tier model.	This work will continue and the funding is in place for the YEPF Officer.
✓ IP 5.07 Working with providers of education	★	This is maintained through the Pre 16 NEET group, the 16-18 practitioner group and the Learning Provider Network. Work is also monitored through the Deputy Curriculum group where the YEPF Coordinator is a member. Continued work with Coleg Gwent to ensure appropriate provision.	This will be continued through the Pre 16 NEET group, the 16-18 practitioner group and the Learning Provider Network. The YEPF coordinator will work with Heads of Key Stage 4 and 5 to ensure appropriate progression routes and refer onto other providers when necessary.
✓ IP 5.08 Develop and deliver specific employability programmes	★	Appointment of the consultant to carry out a skills sector analysis in the city has been completed and consultations have begun. We have supported the Celtic Manor in recruiting to 4 vacancies and will continue to provide relevant candidates for employment opportunities. Inspire 2 Work has now been approved and will begin delivery in qtr 1 of next year. Dialogue has begun with SISK group who are the developer of the ICC and recruitment requirements are being addressed.	Continue to work with partners such as the Celtic Manor to support recruitment needs, working with SISK and Costain to support recruitment requirements for their projects. Also working with colleagues in business support to provide help to SISK and Costain in creating local supply chains. Launched I2W, will see first referrals into the programme during qtr 1.
✓ IP 5.09 Map provision for young people	★	The YEPF Coordinator has coordinated with Barnardos and planned the pieces of work. The work has begun with focus groups carried out with professionals and young people.	This work will continue and will be complete by July. It will be reported back to the Youth Support Services Board.

<p>IP 5.10 Meet regularly with  Careers Wales, Schools, Work Based Learning Providers and Coleg Gwent</p>	<p> Monthly meetings are carried out with the following groups:</p> <p>16 to 18 practitioner group which the YEPF Coordinator chairs and all young people who are unable to engage in education, employment or training are allocated a Lead Worker. Learning Provider Network which is chaired by the YEPF Coordinator. Tier 1 allocation meeting Curriculum Deputies</p> <p>The Pre 16 NEET group meets once a term with Senior Management in attendance from all Schools. The Assistant Head of Education chairs this meeting. These meetings ensure that young people at risk of becoming NEET in providers are identified early and support can be put in place.</p>	<p>Continuation of these meetings.</p>
<p> IP 5.11 Ensure there is a focus on the statutory responsibilities</p>	<p> The YEPF Coordinator and Accountable Officer for the YEPF continues to report to the Youth Support Services Board and Cabinet Member for Skills and Work. The sufficiency audit from Barnardo's will ensure the focus.</p>	<p>Feedback to both the Youth Support Services Board and Cabinet Members will continue. Recommendations from the sufficiency Audit will also be considered by the Youth Support Services Board.</p>

Improvement Objective 6

IP6 Ensuring the best educational outcomes for children

Lead Cabinet Member	■ Cabinet Member for Education and Skills
Lead Officer	■ Chief Education Officer

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green - Good	★	Over the course of the year, the majority of targets within the Improvement Plan have been met. Progress in pupil attainment (linked to the Key Stage 3 CSI, KS4 L2+, L2+ eFSM performance, L2 Maths and English) was good, demonstrating improved pace and (generally) improved national ranking positions. Secondary attendance showed adequate improvement, whilst a slight dip in primary attendance was noted. Attendance systems and processes across the city have developed and strengthened, although recent changes have not embedded sufficiently to demonstrate impact. The number of fixed term exclusions have declined for a further year. Verified data for 2014-15 shows that the LA has significantly improved the rate of exclusions for less than 5 days. Newport showed a 6.3% improvement which was the third most improved position in Wales.

Key for Measures

- ★ Green - on target
- Amber - slightly short of target
- ▲ Red - off target

Measures

	Mar 2017							
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	Period Performance
EDU/010b) (N) Pupils fixed excl'ns secondary days #	1,607	2,052	n/a	2,167	✓		n/a	
EDU/L/061 Percentage of FSM pupils achieving Level 2 Inclusive (A) (IP6)	36.33	28.50	★		?		!	
EDU/L/062 Pupils achieving Level 2 Maths (A) (IP6)	63.73	61.70	★		?		!	
EDU/L/063 Pupils achieving Level 2 English (A) (IP6)	68.49	68.00	★		?		!	
PAM/005 (EDU/004) % pupils achieving the expected CSI outcome at the end of KS3 (PAM, IP6) (A)	83.4%	82.1%	★	81.6%	✓	84.1%	●	
PAM/006 (EDU/017) Pupils achieving level 2 threshold inc English & Maths % (PAM, IP6) (A)	58.4%	55.2%	★	54.2%	✓	58.3%	★	
PAM/007 (EDU/016a) Attendance Primary Year-end % (PAM, IP6) (A)	94.5%	94.6%	●	94.5%	✓	95.0%	●	
PAM/008 (EDU/016b) Attendance Secondary Year-end % (PAM, IP6) (A)	93.3%	93.2%	★	100.0%	✓	93.9%	●	

Actions

Key for Actions
 ★ Green - on track
 ● Amber - Deviation from Plan
 ▲ Red - Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
<p>✓ IP 6.1 Improve the number of pupils achieving the expected level in the Key Stage 3 Core Subject Ind</p>	★	<p>The LA and EAS will have agreed a Business Plan for 2017-18 to secure further improvement in pupil attainment. Schools have submitted 'progress towards targets' on a termly basis. Schools with noticeable gaps between progress towards targets and their agreed targets have been supported and challenged in a timely fashion. Amber and Red Newport secondary schools have met each half term to monitor their agreed targets and action plans via Local Authority led EIB's</p>	<p>Individual school and cluster moderation will take place to determine and secure the validity of Teacher Assessment at Key Stage 3. Moderation reports will be fed back to school to improve and refine processes for 2017-18.</p> <p>Year 11 learners will continue to receive intensive support for external exams.</p> <p>There is a specific focus on target setting for current year 8 and 10 pupils (to ensure appropriate pupil outcomes are realised at the end of Key Stage 3 and 4).</p>
<p>✓ IP 6.2 Improve Primary & Secondary Attendance</p>	★	<p>A media campaign based on Newport Transport buses was launched to promote school attendance. SIMS Discovery software was offered to all Newport Schools and two training sessions were provided. The "Protocol for Schools with Lower than Expected Rates of Attendance" was approved by the Cabinet Member for Education and Young People then issued to schools. A termly attendance forum was held including presentations by a Caerphilly Primary and Secondary school who have demonstrated a significant increase in attendance in recent years. An annual review of school attendance was prepared and issued to Newport schools.</p>	<p>A truancy sweep will be enacted in partnership with Gwent Police.</p> <p>A termly attendance forum will be held including presentations from Newport Secondary Schools to share good practice.</p> <p>The Protocol for Schools with Lower than Expected Rates of Attendance will be enacted through Step 1 meetings, follow up to Step 1 meetings and Education Improvement Board meetings.</p> <p>A South East Wales Consortium (SEWC) regional attendance strategy will be presented to SEWC Directors for consideration by the Assistant Head of Education in Newport.</p> <p>A SEWC attendance data sharing protocol will be established to support regional identification of schools with high rates of attendance in order to aid sharing of best practice.</p>

<p>✓ IP 6.3 Reduce pupil exclusions</p>	<p>★</p>	<p>The Assistant Head of Education has attended some cluster meetings to discuss primary managed moves. One primary managed move has taken place with successful outcome. Primaries with highest rate of exclusions have received monitoring visits and support from Assistant Head of Education -Inclusion and ALN team</p>	<p>Remainder of cluster meetings will take place to discuss primary Managed Moves.</p> <p>Further primaries with increased exclusions will receive exclusion monitoring visits from AHoE and CIA Behaviour.</p> <p>An in-depth exclusion data profile has been created for both primary and secondary schools showing the last 3 years data and aligned with the Welsh Government requirements. This will be shared with Every Child Group.</p> <p>The PRU will have an exclusion monitoring visit from CIA Behaviour</p> <p>The review of ALN provision across the city will continue and a new structure for the PRU will be finalised by the working parties.</p>
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Improvement Objective 7

IP7 Increasing recycling

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

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Green - Good	★	The overall judgement for this objective is Green-Good; diversion of waste from Landfill keeps progressing better than expected and recycling performance for 16/17 is very good, so even if results for Q4 in terms of performance have been lower (mostly due to very low amounts of green waste being collected over the winter), the overall result for the year has been 61.4%. We have also had some positive results in terms of reduction of residual waste linked to the Bettws trial. All the planned activities have progressed according to plan, with the only amber area being the HWRC performance; this is due to an increase in the amount of residual waste being collected and a significant reduction in the amount of rubble (DIY waste) material collected through the site during the last part of the year. This combined with lower amounts of some recyclable materials being collected during Q3 due to their seasonal nature (green waste, wood) results in a poor recycling performance for the HWRC. This remains a challenging area due to there being only 1 HWRC with very high usage which makes monitoring and enforcement of restrictions very difficult.

Measures



Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

	Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago (YTD)	DoT 1 year ago (YTD)	Wales Average (YTD)	Perf. v Wales Average (YTD)	
PAM/030 (WMT/010 WMT/009b) Municipal waste reused, recycled and composted (PAM, IP7) (Q)	61.40%	58.00%	★	57.14%	✓	60.19%	★	PI value has been updated today following an update from the Waste Data Flow system, as 22 tonnes of material had to be added to the total figures, which involved minor changes to the total figures initially reported. This change came as a request from the Natural Resources Wales team in charge of validating the figures
PAM/031 (WMT/004b) Percentage of municipal wastes sent to landfill (PAM, IP7) (Q)	7.79%	18.00%	★	23.64%	✓	18.14%	★	PI value has been updated today following an update from the Waste Data Flow system, as 22 tonnes of material had to be added to the total figures, which involved minor changes to the total figures initially reported. This change came as a request from the Natural Resources Wales team in charge of validating the figures
STR/L/018 % of municipal waste recycled at the HWRC (IP7) (Q)	56.91%	65.00%	●	62.92%	✓		!	
STR/L/021 trial exercise to reduce residual waste (Q) (IP7e)	59	25	★		?		!	

Actions

Key for Actions
 ★ Green – on track
 ● Amber – Deviation from Plan
 ▲ Red – Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
<p>★</p> <p>IP 7.1 To improve the recycling services</p>	<p>★</p>	<p>Improved recycling collections</p> <p>Q4 has seen the end of the cardboard roll out right by the end of March. Now 100% of the households are on the red bag scheme and we will be able to have a full year monitoring period during 17/18. A comparative of the tonnage data for 16/17 and 15/16 shows an increase of 5.8% in the amount of cardboard collected which is a very positive results that hopefully will be also achieved or improved during 17/18.</p> <p>Trial in Bettws flats to reduce residual waste</p> <p>As a result of the operational issues experienced during Q3, meetings between Wastesavers, NCH and NCC have been held and an action plan to engage with residents was agreed. The plan involved a communications campaign, engagement through doorknockers and an open day at Wastesavers depot. A pilot scheme is also going on in a block of flats, where the refuse containers have been changed from communal bins per block to individual bins so residents can take ownerships of the waste generated and presented for collection. The new flats vehicle and additional bins for flats have also been delivered.</p> <p>Doorknocking campaign</p> <p>During Q4 we delivered the final part of the doorknocking campaign and final phases of communications campaign linked to the cardboard roll out; our recycling advisors also helped with the communications campaign in the Bettws flats areas. Once finished we have gathered all the participation monitoring data and analysed the results, which show an increase in participation of 2.88% overall, exceeding the initial target of 2%.</p> <p>HWRC improvements</p>	<p>Once the cardboard roll out has been completed, we have entered the monitoring phase so planned activities centre on keeping with the monthly contract management meetings and monitoring of tonnage and operational indicators to see if the increase in recycling turns into a reality. An important part of this will also be analysing the resident's response in terms of issues or complaints, so a close monitoring of the recycling service will be carried out. We will also aim to keep improving the recycling activity in areas of flats; after the last actions together with NCH in the Bewtts area, during Q1 there will be some follow up discussions and aim is to be able to extend the same measures to other areas across the City, so a proposal of actions in other areas that can be implemented during 17/18 will be presented at Waste Board. As a follow up of the staff assessments carried out during Q4 in 16/17, training sessions and visits to other HWRCs that are good practice examples will be arranged during Q1 of 17/18, with the aim of improving performance at Newport's HWRC. Final works to install the cardboard compactor and webcam are also expected shortly. The Council is also currently working on preparing and implementing a new Waste Strategy that will pave the way to meet the different recycling targets from now to 2025. The aim is to have a final draft that can be approved during 17/18, and to start working on some of the proposals linked to the House Waste Recycling Centre and trade services during 2017/2018.</p>

		<p>During Q4 all planned all planned activities have carried out according to plan: the reuse shop has been extended and new signage is in place. Also, a webcam and the new cardboard compactor have been ordered and we are waiting for them to be installed shortly. Also, a skill assessment for the HWRC staff has been conducted.</p>	
<p> IP 7.2 To divert all household and trade refuse waste collected by the council</p>	<p></p>	<p>During Q4 we continued with the activity same as in previous quarters with the aim to divert as much waste as possible from landfill. There was no down time at the facility so overall amount of waste sent to EfW (Energy from Waste) during the quarter (7,072) was slightly higher than the target (6,600), which helped to get additional recycling tonnage through recycling of incineration bottom ash.</p>	<p>Diversion of waste from landfill will continue in the same fashion as in 16/17, by sending the household refuse waste to the Energy from Waste facility located in Cardiff</p>

Improvement Objective 8

IP8 Improving outcomes for youth justice

Lead Cabinet Member	▪ Cabinet Member for Social Services
Lead Officer	▪ Head of Children and Family Services

Overall Judgement

Mar 2017		
Actual	Performance	Comments
Amber - Acceptable	●	<p>Despite not hitting all the targets, significant progress has been made against backdrop of change and disruption which characterised the last year which will have naturally impacted on performance as any change does.</p> <p>The YOS relocated, lost staff through VR, had staff off on long term leave, had a new mandatory assessment tool introduced, in quarters 3 and 4 experienced a significant increase in court work (over 30% in both quarters), experienced a significant increase in the seriousness of offences being committed and went through staff restructure. These changes were unavoidable and challenging, but despite this performance was better than targets set in the majority of areas.</p> <p>There is a risk that a continuation of the current increase in workload (which is at odds with the rest of Gwent and not following the trajectory of Newport's passed years) - specifically the court based work will negatively impact on performance as capacity is already stretched.</p> <p>The prevention service which supports YOS work at the earliest opportunity, is also under challenge with sizable reductions in funding (from core budget and as a result of Education not being able to continue to part the educational social workers based in the team) resulting in loss of staff. Clearly less staff equates to less capacity, despite the fact that demand is increasing, both in relation to the need of support to prevent offending, as well as prevention activity in relation to the obviate the need of statutory services as a result of the SSWBA. This may adversely impact on performance in relation to reduction of FTE.</p>

Measures

Key for Measures
 ★ Green - on target
 ● Amber - slightly short of target
 ▲ Red - off target

	Mar 2017							Period Performance
	Actual (YTD)	Target (YTD)	Performance (YTD)	Actual 1 year ago	DoT	Wales Average (YTD)	Perf. v Wales Average (YTD)	
YJ/L/11 Percentage of young people referred for community resolution (M) (IP8a)	42.6%	30.0%	★		»		!	
YJ/L/12 Percentage of young people referred to Newport Bureau for Out of Court Disposals (M) (IP8b)	23.0%	15.0%	★		»		!	
YJ/L/16 Young people with substance misuse needs access services (M) (IP8f)	75.6%	80.0%	●		»		!	Performance in this area has improved this month. 2 of the 10 closed cases were referred to the SMW and both commenced assessment and treatment interventions within timescales.
YJ/L/18 % Young People Out of Court Disposals Re-offend within 12 mnths	24%	30%	★		»		!	
YJ/L/19 % Young people statutory orders who re-offend within 12 mnths	46.0%	45.0%	●		»		!	Despite performance being slightly outside target for the year, it must be stated that the number of young in the re-offending cohorts in this area are quite small. This is largely due to small numbers of young people receiving a Court Order in 2015/16 as young people were being diverted via an Out of Court Disposal route. Those being left within the court system are highly complex cases and are more likely to re-offend.
YJ/L/20 Av hours education, training or employment (M) (IP8j)	18.2	17.5	★		»		!	
YJ/L/13 Number of first time entrants into youth justice system (M) (IP8c)	55	50	●		»		!	Again we see an increase in the number of FTE's this month, as more young people are committing serious crime, offences of which include, motoring offences, drugs offences, violence against the person, domestic burglary and theft. Despite this impacting on performance it must be stated that we cannot control the level of workload and complexities of cases coming through to the YOS.
YJ/L/14 Proportion of young people sentenced to custody (M) (IP8d)	12	15	★		»		!	

Actions

Key for Actions
 ★ Green – on track
 ● Amber – Deviation from Plan
 ▲ Red – Action is of concern

	Mar 2017		
	Performance	IP Progress Update	IP Activity Planned
<input checked="" type="checkbox"/> IP 8.1 Reduction in first time entrants	●	<p>Whilst performance slightly fell below target, the seriousness of offending was the primary factor in this. the police operation jewel which targeted drug supplying in the city, together with the pill disorder brought many young people in to the system who were previously unknown to either preventions or YOS. Similarly an increase in driving offences (experienced across Gwent) played a role in this.</p>	<p>Increase collaborations with partners and other agencies to increase the prevention offer as well as support exit strategies.</p> <p>Continue with participation in the Pill area action plan</p> <p>Develop working arrangements with Drugaid (new Gwent wide substance misuse service for young people)</p>
<input checked="" type="checkbox"/> IP 8.2 Reduction in the use of youth custody	★	<p>Despite the increase in seriousness of offending, performance was better than the target. The robust gatekeeping of reports, and faith Magistracy in the YOS are contributing factors.</p>	<p>Continue with current practice.</p> <p>Please note that whilst positive action is being taken by Heddllu Gwent Police in relation to the growing challenge of drug running and supplying drugs in the City (Operation Jewell) this will have a negative impact on YOS performance as many young people as well as adults are involved. The seriousness of these offences are likely to attract custodial sentences, the precedence for which was set in the latter part of 2016/17.</p> <p>The operation has continued in 2017/18 with currently 8 young people in the process of being sentenced and custody being a real possibility for these.</p> <p>Every effort is being made to identify resources to both tackle this on a preventative basis as well as once convicted. Collaboration with Drugaid will be central to this, as well as with other key agencies..</p>
<input checked="" type="checkbox"/> IP 8.3 Access to Education, Training and Employment	▲	<p>Significant progress has been made in the area. The working group of partners focussing on this area specifically, together with forensic analysis of those not in requisite hours, has supported this improvement.</p>	<p>Continue with current practice and review and revise the ETE plan (which will be part of new Business Plan) focussing more on 16+ where performance is slightly lower than school age.</p>
<input checked="" type="checkbox"/> IP 8.4 Access to timely mental health assessment and treatment	★	<p>Consistently exceed target</p>	<p>Continue current practice</p>

<p>✓ IP 8.5 access to timely assessment and treatment in relation to substance misuse.</p>	<p>▲</p>	<p>Performance has improved in the last quarter following inconsistency through the year which initiated a close inspection of process. Remedial actions were put in place and appear to be working.</p>	<p>A new service is in place from April 2017 - a new service level agreement and memorandum of understanding is in the process of being developed which will support the work in the future.</p> <p>Quarter 1 of 2017/18 is likely to see a decrease in performance, as the worker has resigned (finishes at end of May) and there is likely to be a vacancy for a short period. However, this marks an opportunity to ensure that lessons learned are operationalised from the outset, as well as young people being able to access a wider range of provision than was available from the former provider from the new service.</p>
<p>✓ IP 8.6 Access to appropriate/suitable accommodation</p>	<p>★</p>	<p>Performance has exceeded target though there will always be a cohort of young people who for various reasons cannot access 'suitable accommodation'</p>	<p>A meeting is planned in late May between various agencies and partners (Housing, Llamau, SSD, YOS) to scope the demand for a new provision to target the young people whose behaviour and offending pose the greatest challenge.</p>

Equalities and the Welsh language

Equalities

In March 2016, a new Strategic Equality Plan (SEP) was published by Newport City Council identifying nine equality objectives that the authority would measure itself against over the next four years.

In the past 12 months we have made positive progress towards meeting our equality objectives and evidence some of the hard work that have been carried out to promote equality of opportunity for all. The [Strategic Equalities Plan Annual Report](#) was approved by Cabinet in June 2017. It reflects the work that has been carried out in the previous year and identifies priorities for the coming years.

The Fairness and Equality Impact Assessments (FEIAs) have been reviewed to ensure that statutory requirements and other policy considerations such as the Welsh language, Fairness and the Well-being of Future Generations Act are appropriately reflected in our decision making processes. Consultation with the public, and subsequent FEIAs, was a key priority in the budget setting process for the 2017-2018 budget.

The Strategic Equalities Group (SEG) has been reconvened and have met regularly throughout the year to take a strategic lead on the implementation of the equalities agenda as well as monitor the delivery of the SEP. The SEG is chaired by the Cabinet Member for Finance and Resources and has representation from elected members, Fairness Commission and officers.

Welsh

This year (2016/17) has been the first full year of implementing the majority of the Welsh Language Standards which came to force on the 30th of March 2016.

The [Welsh Language Annual Monitoring Report](#) was approved by Cabinet in June 2017 and reflects on the substantial progress made in the last year, and the work identified for the coming years.

The implementation of the Welsh Language Standards continues to remain on the council's Risk Register however the risk level has now been reduced to Medium Risk.

In order to mitigate the level of risk, we have implemented the Standards in a systematic way, with resources identified for translation and roll-out of the Standards. To improve accountability, the Welsh Language Implementation Group, which has representation from all services; meets monthly and also reports progress to the Strategic Equalities group (see above).

We have consulted on a 5 Year Welsh Language Plan for Newport and feedback received indicate that residents value the language and are in favour of services and education being made available in the medium of Welsh for those who request for it. Council approved the 5 year Plan in March 2017 and we will be working with local partners to implement the Plan in the coming years.

Corporate Complaints and Compliments

Complaints

2016/2017 is the sixth consecutive year where the number of informal (stage 1) complaints received has decreased since recording of the corporate process began in 2011.

This reduction in informal complaints received could be interpreted in a number of ways:

- There are fewer services now provided by the council.

- There may be an overall improvement in the quality and timeliness of service provision so customers do not wish to make as many complaints.
- There may be an overall improvement in communications so customers have a better understanding about the services that the council does and does not supply; therefore the services provided meet their expectation.
- Initial complaints are being dealt with by the service area (as per the policy) but are not being recorded centrally on CRM.

Stage 2 complaints decreased slightly compared to the previous year, down from 34 to 30. This may indicate that;

- Customers are receiving a better service and response when they are raising informal complaints, meaning that customers are satisfied with the council's first attempt to resolve the complaint.
- Officers have become better at responding to informal complaints, with quality responses provided in a timely way.

Some of the formal (Stage 2) complaints received were raised due to failure to respond, or delays in responding to informal (Stage 1) complaints. This was the reason given for 36% of the Stage 2 complaints the council dealt with.

Reviewing the reasons for the remaining Stage 2 complaints indicates that, where customers had already received a response, Stage 2 complaints from customers were because they were unhappy with the outcome and response they received at Stage 1 – however when reviewed by a senior officer none of the outcomes at Stage 1 were amended due to any new findings.

The number of complaints that customers submitted to the Ombudsman following the two-step process increased significantly year on year, from 9 to 28. The Ombudsman has recently issued tighter deadlines for organisations to respond to their enquiries within 1 week. Although the council has been able to negotiate longer response times when appropriate, these stringent timescales represent an increased pressure on limited resource. This has been communicated to the Ombudsman as part of the all-Wales Complaints Forum at which the council has representation.

Of the 297 complaints received, 27 were closed or cancelled as they were not complaints. This may have been because an initial request for service had not been submitted first, or because there was an appeal process to follow instead.

44 complaints remain open at this time, leaving 253 complaints that were reviewed and investigated as appropriate. Following review and investigation, 101 complaints were upheld and a further 52 complaints were partially upheld. 86 complaints received were not upheld.

Proportionally the percentage of total complaints not upheld is slightly less than the previous year (33% down to 27%). The percentage of the total complaints received that were fully or partially upheld has increased from 38% in 2015/2016 to 49% in 2016/2017.

Compliments

A total of 127 compliments were recorded in 2016/2017, the annual total was only one less than the 128 received in the previous year. In balance the service areas that receive the most complaints are also the areas that received the most compliments as they are the most visible frontline services.

Streetscene and City Services account for almost all compliments received – this is in part due to the high visibility of these services to the public. The compliments recorded for Streetscene are largely due to swift action taken as a response to a customer request. Customer Services received most of their compliments for the helpful and pleasant nature of staff providing an efficient and friendly service.

Law and Regulation also receive many compliments for the work that the Registrars carry out.

Partnership work and collaboration

Newport City Council is committed to working in partnership on a number of service delivery areas with a variety of partners, in 2016/17 the council collaborated extensively with other partners and stakeholders across service areas.

The Well-being of Future Generations (Wales) Act 2015 established the Public Services Board – One Newport. The members of the board and papers for the year can be found on the [One Newport](#) website, this year the PSB have developed the well-being assessment for Newport with partners and are in the process of developing the Well-being Plan.

The One Newport Single Integrated Plan (SIP) Board oversees the delivery of the current SIP; and the council works collaboratively with a wide range of groups and organisations including NEETS groups, Financial Inclusion Forum, Hate Crime Forum, PREVENT to tackle extremism; the Community Cohesion Group; Armed Forces Forum, SE Wales adoption service; the SE Wales safeguarding children board; Gwent Safeguarding Adults Forum; Employability and Skills Group, Prosiect Gwyrdd; Domestic Abuse forum; Newport Schools Admissions Forum; Regional Welsh Education Forum; All Wales Education Safeguarding Group. The partners listed here provide a ‘flavour’ of the kinds of partnership and collaboration work being undertaken and it should be noted that this list is not exhaustive.

The level and range of partnership and collaboration work is significant and as such it is not possible to list every agency or stakeholder that works alongside the council. The 2016/17 published service plans reviews provide a more comprehensive compendium of those organisations that work with the council.

Please click on the link below to access the 2016/17 Service Plan Reviews

<https://intranet.corporate.newport/sites/live/Pages/Service-Plans.aspx>

Wales National Measures analysis

Target setting principles were introduced in March 2015 to help increase levels of performance when compared to other Welsh Authorities; this made our targets challenging but more meaningful at a national level. The following 3 principles were applied;

1. Improve on previous year performance and, where relevant;
2. Be set at least at the Wales average or,
3. Be set above quartile 4 levels.

All Wales data for 2016/17 will be provided in a separate report once the data has been released by the Data Unit Wales. All Wales data is due to be released 13th September 2017.

Year- end actual data for all national measures can be seen in the table overleaf.

National Measures

Measure	Actual (YTD)	Target (YTD)	Perf.	Alert	DoT	Actual Last Yr	Compared to last yr	Wales Average (YTD)	Perf. Wales Av.
ACS/18 The percentage of adult protection enquiries completed within 7 days (SSPM, IP2) (M)	97.8%	90.0%	★	✓			»	?	!
ACS/19 PAM/025 Delayed Transfers of Care (SSPM, PAM, IP2, SP) # (M)	2.04	4.00	★	✗			»	58.44	★
ACS/20a reablement reduced package of care and support (A) (SSPM, IP1)	40.0%	65.0%	▲	»			»	?	!
ACS/20b reablement no package of care and support (A) (SSPM, IP1)	77.8%	40.0%	★	»			»	?	!
ACS/21 Length of time (days) adults are in care homes (SSPM) (M)	817.3	1,100.0	★	✓			»	?	!
ACS/22 Average age of adults entering residential care homes (SSPM) (M)	79.3	83.5	●	✗			»	?	!
ACS/23a Adults who have received advice and assistance no repeat contact (SSPM) (A)	44.8%	50.0%	▲	»			»	?	!
ACS/23b Adults who have received advice and assistance no repeat contact (aged over 75) (SSPM, IP1)	40.3%	50.0%	▲	»			»	?	!
CAM/037 % change in av DEC score buildings over 1000sq M (A)	?	0%	?	?		0%	?	3%	?
CYP/24 PAM/028 % of assessments completed for children within statutory timescales (SSPM, PAM) (M)	95.1%	95.0%	★	✗			»	n/a	+
CYP/25 % of children supported to remain living within their family (SSPM) (M)	70.0%	65.0%	★	✓		?	!	n/a	+
CYP/26 % of looked after children returned home from care (SSPM) (M)	14.0%	15.0%	●	✓			»	n/a	+
CYP/27 % of re-registrations of children on local authority Child Protection Registers (SSPM) (M)	10.9%	3.5%	▲	✗			»	n/a	+
CYP/28 The average length of time for all children who were on the CPR during the year (SSPM) (M)	265.3	300.0	★	✗			»	n/a	+
CYP/29a % of children achieving the core subject indicator at key stage 2 (SSPM) (A)	71.4%	60.0%	★	»			»	n/a	+
CYP/29b % of children achieving the core subject indicator at key stage 4 (SSPM) (A)	7.1%	5.0%	★	»			»	n/a	+
CYP/30 % of children seen by a dentist within 3 months of becoming looked after (SSPM) (M)	63.2%	25.0%	★	✓			»	n/a	+
CYP/31 % of children looked after who were registered with a GP within 10 working days (SSPM) (M)	89.6%	90.0%	●	✗			»	n/a	+
CYP/32 SCC/002 % of looked after children who have had 1 or more changes of school (M) (SSPM, SP)	7.95	12.00	★	✓		13.51	★	11.90	★
CYP/33 PAM/029 % of looked after children who have had 3 or more placements (M) (SSPM, PAM, SP)	9.5	9.0	●	✓		9.5	●	9.8	★
CYP/34a Care leavers who are in education, training or employment at 12 months (SSPM) (M)	50.0%	60.0%	▲	✗			»	n/a	+
CYP/34b Care leavers who are in education, training or employment at 24 months (SSPM) (M)	51.4%	60.0%	●	✗			»	n/a	+
CYP/35 % of care leavers who have experienced homelessness during the year (SSPM) (M)	10.9%	10.0%	▲	→			»	n/a	+
EDU/002 i) Leavers without qualifications % (A)	0.3%	0.2%	▲	✗		0.2%	▲	0.2%	▲

Key for measure RAG status

- ★ Green - on target
- Amber - slightly short of target (15% tolerance)
- ▲ Red - off target (over 15% away)
- ✗ Pink - Data missing/ not available
- ! Yellow - no target set
- DoT - Direction of Travel, up arrows indicate bigger values are better, down arrows indicate smaller values are better
- Black - performance remains the same
- ✓ Green Ticks - performance has improved
- ✗ Red Crosses - performance has declined

Measure	Actual (YTD)	Target (YTD)	Perf. Alert DoT	Actual Last Yr	Compared to last yr	Wales Average (YTD)	Perf. Wales Av.
EDU/002)ii) Leavers without Qualifications Looked After Children % (Schools) (A)	0.0%	2.0%	★ →	0.0%	●	0.5%	★
EDU/006 ii) Pupils KS3 Teacher Assessment in Welsh % (A)	0.0%	0.0%	● →	0.0%	●	17.8%	▲
EDU/011 KS4 External Qualifications Wider Point Score (A) (IA Theme 3)	479.7	520.0	● ✖	514.4	●	538.6	●
EDU/015a) SEN Statements 26 wks: Inc excep % (A)	85.2%	52.0%	★ ✓	45.7%	★	68.1%	★
EDU/015b) SEN Statements 26 wks: Excl excep % (A)	84.4%	90.0%	● ✓	65.0%	★	94.5%	●
PAM/001 (CHR/002) National Sickness Days lost (PAM) (A)	9.83	9.64	● ✓	10.13	★	10.20	★
PAM/004 (EDU/003) % pupils achieving the expected outcome at the end of KS2 (PAM) (A)	88.8%	88.9%	● ✖	89.3%	●	88.1%	★
PAM/005 (EDU/004) % pupils achieving the expected CSI outcome at the end of KS3 (PAM, IP6) (A)	83.4%	82.1%	★ ✓	81.6%	★	84.1%	●
PAM/006 (EDU/017) Pupils achieving level 2 threshold inc English & Maths % (PAM, IP6) (A)	58.4%	55.2%	★ ✓	54.2%	★	58.3%	★
PAM/007 (EDU/016a) Attendance Primary Year-end % (PAM, IP6) (A)	94.5%	94.6%	● ✖	94.5%	●	95.0%	●
PAM/008 (EDU/016b) Attendance Secondary Year-end % (PAM, IP6) (A)	93.3%	93.2%	★ ✖	100.0%	●	93.9%	●
PAM/010 (STS/005b) Bi-Monthly Cleanliness Insp'ns of highways & relevant land % (PAM) (BM)	95.5%	97.0%	● ✖	94.6%	★	96.5%	●
PAM/011 (STS/006) Response Rates For Removing Reported Fly Tipping Incidents (PAM) (M)	98.65%	97.00%	★ ✓	94.54%	★	95.26%	★
PAM/015a (PSR/002) Adapt'ns DFG days delivery avg. (HY) (PAM, IP3, SP)	186	238	★ ✖	216	★	241	★
PAM/016 (LCL/001b) Use of Public Library Services (Q) (PAM)	3,291.91	3,525.00	● ✓	3,249.48	★	1,343.50	★
PAM/017 (LCS/002b) Visits to Sport and Leisure Centres (Q) (PAM)	8,038	2,072	★ ✓	8,258	●	2,102	★
PAM/023 (PPN/009) % Food establishments broadly compliant with food hygiene standards (PAM) (Q)	95.10%	96.00%	● ✓	95.64%	●	94.22%	★
PAM/030 (WMT/010 WMT/009b) Municipal waste reused, recycled and composted (PAM, IP7) (Q)	61.40%	58.00%	★ ✖	57.14%	★	60.19%	★
PAM/031 (WMT/004b) Percentage of municipal wastes sent to landfill (PAM, IP7) (Q)	7.79%	18.00%	★ ✖	23.64%	★	18.14%	★
PLA/006 Provision of affordable housing units % (A) (NSI, PAM, SP)	22%	27%	▲ ✖	26%	●	36%	▲
PSR/004 Housing dwellings return occ'pn % (HY) (NSI, SP)	3.87%	6.00%	▲ ✓	6.39%	▲	11.08%	▲
THS/007 Concessionary travel passes - Over 60s takeup % (HY)	90.8%	91.0%	● ✓	90.0%	★	85.6%	★
THS/012 Condition of Roads (A)	5.7%	5.3%	● ✖	5.3%	●	11.2%	★

Wales Audit Office Recommendations and Proposals for Improvement

The table below shows the progress made towards the Recommendations and Proposals for Improvement made to the authority by the Wales Audit Office. This was reported to Cabinet in the [Wales Audit Office Action Plan](#) that was considered at the July Cabinet meeting

Updated Action Plans in Response to Corporate Assessment Recommendations

Action plan to address WAO Recommendations

Completed actions are highlighted in grey

Recommendation 1

Recommendation 1	The Council should ensure that Members are routinely and transparently considering robust information at the earliest opportunity to enable them to inform, take, and challenge choices and decisions effectively, and ensure that decisions are recorded and reported transparently.
WAO's Intended outcome/benefit	Decisions and scrutiny are based on consideration of up to date and accurate information. Decisions are accurately recorded on a timely basis on the Council's decision making tracker so the public are able to easily find and understand what decisions have been taken and by whom.
Responsible Officer	Chief Executive Head of Law & Regulation

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
1.1	Chief Officers will view all decision making reports and conclude on whether they are of sufficient quality before submission to the decision making and scrutiny processes.	March 2017	Cabinet reports are received by SLT for consideration of content and quality before submission to the Cabinet cycle.	This is now embedded in the process, no further actions planned.	Chief Executive
1.2	Heads of Service will ensure that appropriate quality assurance processes are implemented within their service areas to ensure that reports are of an acceptable quality and standard before	July 2017	Reports will be considered by Heads of Service before consideration by SLT and submission to the decision making or scrutiny process	To continue this process and assess its effectiveness	Chief Executive

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
	submission for inclusion in the decision – making or scrutiny processes				
1.3	All Cabinet, Cabinet Member and delegated officer decisions are properly recorded, including background information, options and reasons for those decisions, in accordance with the Council's constitution and legislative requirements. Minutes of Council and Committee meetings are also recorded accurately, approved at subsequent meetings and published in a timely manner. All decisions, background reports and minutes are published on the Council's web site, with a search engine to enable decisions to be tracked and easily found.	July 2017	The new template is now being used. An updated template has also been made available for reports to Scrutiny	Keep under review	Head of Law & Regulation

Recommendation 2

Recommendation 2	<p>The Council should address with more urgency the weaknesses in its governance arrangements that underpin its decision making to support improvement. This would include:</p> <ul style="list-style-type: none"> strengthening committee work programming arrangements to ensure they are timely, meaningful, informative, transparent, balanced, monitored, and joined up; reviewing and updating the Council's constitution ensuring that roles, responsibilities and accountabilities are clear, and that all Members understand and apply their respective roles in relation to each other without compromising independence; empowering Members to be more proactive and accountable for their roles and responsibilities; strengthening scrutiny arrangements to more effectively inform and challenge policies, options, decisions and actions, and hold Cabinet Members, officers, partners and others to account more robustly to drive an increased pace of progress and improvement; and strengthening and mandating member and officer development and learning programmes based on competency assessments to improve skills and understanding to enable them to undertake their roles more effectively.
WAO's Intended outcome/benefit	<ul style="list-style-type: none"> The areas of focus of each of the committees is clear, linked to corporate priorities, regularly updated and considered in an open forum. The Council's constitution accurately reflects existing arrangements and clearly sets out roles and responsibilities. Members are able to fulfil their roles effectively and are held to account for these roles. Scrutiny is used effectively to inform policy development and hold Cabinet Members and officers to account for performance. Members and officers are equipped and supported to undertake their roles.
Responsible Officer	Head of Law & Regulation

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
2.1	To develop the use of Committee pre-meetings in order to focus challenge more effectively and improve the quality of questioning. (Scrutiny AR Action 1)	July 2017	Pre-meetings are continuing for the new scrutiny committees	We have planned questioning and chairing training for September	Head of Law & Regulation
2.2	To introduce an effective system for scrutiny of the Public Services Board, in	By April 2018	A new scrutiny committee structure was agreed at this year's AGM,	The new committee for partnership scrutiny has been appointed and will	Head of Law & Regulation

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
	response to the statutory duty placed on scrutiny by the WFGA (Scrutiny AR Action 2)		including a separate committee for partnership scrutiny.	start training and developing its work programme over the summer.	
2.3	To introduce a new report template to improve the quality and focus of the information that is presented to Committees (Scrutiny AR Action 3)	By November 2016 meeting cycle	A new template has been introduced and is in use.	Continue to review and amend as necessary, to improve the quality and focus of information that is presented to the Committees.	Head of Law & Regulation
2.4	To continue to develop the links between Scrutiny and Auditors / Inspectors / Regulators, in particular to support work programming and training (Scrutiny AR Action 4)	Ongoing	Outcomes of the peer review with Caerphilly and Monmouthshire will be reported in the Scrutiny Annual Report.	Further links with AIRs will be reviewed once the new committees are up and running.	Head of Law & Regulation
2.5	To continue implementation of the Public Engagement Strategy agreed in 2015 (Scrutiny AR Action 5)	By April 2017	Implementation ongoing. We are in the process of reviewing the website content.	The new Chairs will need to review the Public Engagement Strategy for the new Council term.	Head of Law & Regulation
2.6	Cabinet work programmes are presented to each cabinet meeting	By April 2017	This has been implemented and is ongoing	Implemented	Head of Law & Regulation
2.7	The Democratic Services Committee are reviewing the various elements of the Constitution	Ongoing	This has been implemented and is ongoing	Implemented	Head of Law & Regulation
2.8	To develop the use of Committee pre-meetings in order to focus challenge more effectively and improve the quality of questioning. (Scrutiny AR Action 1)	July 2017	See 2.1 above		Head of Law & Regulation
2.9	To introduce a new report template to improve the quality and focus of the information that is presented to	By November 2016 meeting cycle	See 2.3 above		Head of Law & Regulation

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
	Committees (Scrutiny AR Action 3)				
2.10	To develop the use of Committee pre-meetings in order to focus challenge more effectively and improve the quality of questioning. (Scrutiny AR Action 1)	July 2017	See 2.1 and 2.8 above		Head of Law & Regulation
2.11	To continue regular meetings of the Chairs of Scrutiny, the Scrutiny Officer Team and leading Members of the Executive, to ensure a positive relationship continues, and workloads are coordinated effectively (Scrutiny AR Action 6)	Meetings already diarised	We need to plot these meetings now the new Council and administration is in place.	We need to plot these meetings now the new Council and administration is in place.	Head of Law & Regulation
2.12	To develop an appropriate role for Scrutiny within the new arrangements for managing performance, and building on the existing measures for service plan monitoring (Scrutiny AR Action 7)	By December 2017	We are introducing a new system for performance reporting, including scrutiny consideration.	To finalise and implement the new system for performance reporting.	Head of Law & Regulation
2.13	To update and deliver the training and seminar programme for Members, including training to support: - Budget scrutiny - Performance scrutiny - Implementation of the Wellbeing of Future Generations Act (Scrutiny AR Action 8)	July 2017	Training for the new Committees is underway.	Review ongoing training programme.	Head of Law & Regulation
2.14	To work with current Members to develop an effective scrutiny induction programme for Elected Members after the 2017 election. (Scrutiny AR Action 9)	July 2017	Programme implemented.	Review ongoing training programme.	Head of Law & Regulation

Recommendation 4

Recommendation 4	<p>The Council must continue to develop its people management arrangements, to ensure it has the capacity and capabilities necessary to change and improve. In doing so, it should:</p> <ul style="list-style-type: none"> continue to develop its draft Workforce Plan and associated action plans by, for each action: allocating responsibility to an officer and setting a deadline for completion; and in the absence of a formal approach to 360-degree feedback for all staff, address manager inconsistency in carrying out appraisals and ensure all staff receive a constructive and developmental appraisal to support job performance.
WAO's Intended outcome/benefit	<ul style="list-style-type: none"> The Council has effective workforce planning arrangements in place, which will help it deliver its vision and priorities. Staff appraisals are consistently undertaken and to a good standard and these are used to inform staff development.
Responsible Officer	Head of People & Business Change

Action Update

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
4.1	Creation of a workforce plan review group	February 2016	Completed		Head of People & Business Change
4.2	Publication of workforce plan	June 2016	Completed		Head of People & Business Change
4.3	Second version of workforce plan in place for 2016/17	June 2016	Completed		Head of People & Business Change
4.4	HR Business Partners to meet with Head of Service to discuss workforce objectives for 2016/17	June 2016 onwards	Completed		Head of People & Business Change
4.5	2016/17 objective for workforce planning set in both service planning and individual objectives	May 2016	Completed		Head of People & Business Change
4.6	Carry out self-assessment audit to assess current performance and identify future priorities	December 2016	Completed		Head of People & Business Change
4.7	Conduct enhanced training on	December	Completed		Head of People

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
	workforce planning for all HR/OD officers	2016			& Business Change
4.8	Feedback to managers on quality of appraisals sampled	October 2016	Feedback provided on sample of appraisals		Head of People & Business Change
4.9	Options to review current processes are investigated to bring about technology in the PM cycle and modernise the system	July 2017	<p>Currently on a pilot for new performance management system to move to a continuous performance management process instead of an annual appraisal</p> <p>Pilot was conducted from January – March 2017 with a group of 100 employees across all service areas.</p> <p>Review of the pilot was successful and contracts have been agreed to implement full roll out across the Council.</p> <p>Sessions have been taking place with senior managers to explain the project and a full comms plan will come out to employees later in July</p>	<p>Make determination as to whether to proceed and roll out across the Council. Plan roll out of training and support to use the system</p> <p>Roll out is fully planned and has commenced with senior managers.</p> <p>Comms to staff will commence in July 2017.</p> <p>KPI will be amended to show % of successfully achieved objectives</p>	Head of People & Business Change
4.10	Review of Coaching for Performance course and recommendations made on future procurement	August 2016	Review undertaken and we will continue to run the course but add additional coaching support in the form of ILM qualifications	Implemented	Head of People & Business Change
4.11	Solutions identified to offer both coaching and mentoring ILM qualifications	August 2016	ILM in coaching and mentoring has been identified and a cohort of 14 managers signed up – this commenced January 2017	Implemented	Head of People & Business Change
4.12	Creation of action learning set network	October 2016	ILM in action learning sets identified and offered to	Implemented	Head of People & Business

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
			managers but take up low at this point. Informal action learning set took place in one service area in November Focus will be on coaching at this time		Change

Recommendation 5

Recommendation 5	<p>To strengthen the arrangements that enable the Council to scrutinise its improvement objectives. In doing so, the Council should:</p> <ul style="list-style-type: none"> • Enable Members to effectively challenge and scrutinise service performance: <ul style="list-style-type: none"> ▪ ensure that meeting agendas allow for sufficient time for Members to focus on (broad) underperformance; and ▪ provide training on effective challenge and scrutiny for Members.
WAO's Intended outcome/benefit	<p>Members are given accurate and timely information to enable them to challenge performance and progress against improvement objectives effectively. Remedial action is identified and taken forward.</p> <p>Performance is frequently discussed and challenged by scrutiny and members have sufficient time to do so.</p> <p>Members have the necessary skills to challenge and scrutinise effectively.</p>
Responsible Officer	Head of People & Business Change

Action Update

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
5.1	New Performance reporting framework in place ensures more information is provided to scrutiny and Cabinet Members in a timelier manner.	Framework agreed by Cabinet and Scrutiny Chairs September 2016	This has now been implemented	No further action planned	Head of People & Business Change
5.2	New performance management system will allow information on performance to be more visible and readily available around the authority.	New System Implemented April 2016 Further development continues.	Further work has been carried out on the system by Performance Management Officer. Development plan in progress and further training has been rolled out. There are now many more users who can access the system to view and comment on performance.	The system will continue to be developed	Head of People & Business Change
5.3	Exception dashboards and reports for service plans highlight key areas.	July 2017	New Service plan template is in use for the 2017/18 service plans and new peer review process has been introduced	The Service Planning process and template will be reviewed on an annual basis to ensure that process continues to work and is adapted to the changing environment in which the	Head of People & Business Change

Ref	Planned Actions	Completion Date	Progress to date	Planned next quarter	Responsible Officer
				council operates. A new reporting framework will be developed in conjunction with Scrutiny.	
5.4	Performance reports that go to Cabinet now go to the Scrutiny Chairs for Information.	Framework agreed by Cabinet September 2016	This has now been implemented, detailed improvement plan Cabinet update sent to Scrutiny for information for Q1	No further actions planned, this will be ongoing.	Head of People & Business Change
5.5	Heads of Service have regular briefing meetings with Cabinet Members who in turn brief the Leader of the Council.	Framework agreed by Cabinet September 2016	Heads of Service have had regular briefing meetings with Cabinet Members. Cabinet Members then brief the Leader of the Council.	This is now embedded, no further actions planned.	Chief Executive
5.6	We have put in place a training and seminar programme for Scrutiny Members, and we have also introduced pre-meetings to improve the focus and challenge of Member questions. We are also developing the new induction programme for May 2017 which will include focus on effective challenge.	Systems in place and in ongoing development Induction programme from May 2017	Induction programme delivered.	Review ongoing training programme.	Head of Law & Regulation

Wales Audit Office Proposals for Improvement

Ref	Proposal	Progress update to the end of March 2017	Actions planned next quarter	Expected close down date	Responsible Officer
1.	The Council should: Provide Cabinet with a more detailed update of progress in addressing our Corporate Assessment and its Follow-up recommendations to facilitate more active discussion and challenge of progress.	<p>Cabinet have received the Review of progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations 2015/16. The Quarterly update on progress against the Corporate Assessment Recommendations and Proposals for improvement is now considered by cabinet as a report in its own right.</p> <p>The reporting process outlined in response to Recommendation 1 (ref 1.1 and 1.2) will ensure that sufficient detail is included. The Quarterly update is now submitted to Chief Officers prior to submission to Cabinet to ensure that enough detail has been included.</p>	No further action planned.	January 2017	Head of People & Business Change
2.	Review the timespan for completion of return to work interviews.	<p>We have rolled out People Manager on iTrent to managers in the organisation. We anticipate that this action will shorten the length of time to complete return to work interviews and will increase the percentage of returns within the timeframe.</p> <p>All managers are now enrolled on using People Manager on iTrent and are completing sickness information directly on the system themselves.</p>	<p>Further consideration of the removal of the paper form and move to an online form.</p> <p>We are working towards removing all paper forms in HR activity and are investigating the option of building an iTrent form so that the RTW discussion can take place electronically and therefore remove the</p>	September 2017	Head of People & Business Change

Ref	Proposal	Progress update to the end of March 2017	Actions planned next quarter	Expected close down date	Responsible Officer
			form. This should result in a much higher percentage (if not all) RTW's taking place within the 7 day timeline.		
3.	Review whether it has appropriate capacity within its People and Business Change service area to strengthen workforce planning.	Workforce Plan 2016/17 published and all service areas have completed their template for the year with their workforce planning objectives identified. HR Business Partners are working proactively with Heads of Service to discuss their templates as part of normal business discussions and each member of the HR team has contribution towards the workforce planning progress report.	Currently working on a longer term workforce plan for the organisation which will match up to the next People Plan – i.e. a 5 year plan for both HRD network are piloting workforce planning template and we intend to see whether this tool is appropriate for Newport. HR Business Partners will move towards greater emphasis on workforce planning support to the organisation by a restructure which introduces HR Advisors to pick up employee relations casework – this will provide greater capacity to HR Business Partners to focus more on workforce planning.	September 2017	Head of People & Business Change



Report

Cabinet

Part 1

Date 4 September 2017

Subject **Corporate Risk Register Update**

Purpose To present an updated version of the Corporate Risk Register

Author Rhys Cornwall, Head of People and Business Change
Mike Dickie, Business Service Development Manager
Rachel Kalahar, Senior Performance Management Officer

Ward All

Summary This report contains the latest update of the Corporate Risk Register.

- A full review of the risks included in the corporate risk register has been undertaken to ensure the risk register reflects the current risks that the council faces.
- The risk register identifies risks that may prevent the council achieving the objectives set out in the Corporate Plan and enables the council to continue to provide services to the citizens and communities of Newport. Robust management of these risks is imperative to the realisation of the council's objectives.
- The corporate risk register helps the council to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs by considering the sustainable development principle set out in the Wellbeing of Future Generations (Wales) Act 2015.
- There are 14 risks identified in the risk register; 4 remain from the previous update, 2 have been closed and 2 updated, in addition to this 8 new risks have been identified.
- There are 5 high risks and 9 medium risks.
- The detail and planned mitigating actions for each risk are provided below.

Proposal Cabinet is asked to consider the contents of the Corporate Risk Register and request regular updates regarding the planned mitigating actions.

Action by Chief Executive, Strategic Directors and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Cabinet
- Deputy Leader
- Audit Committee
- Corporate Management Team
- Head of Law and Standards
- Head of People and Transformation
- Head of Finance

Signed

Background

1. Corporate Assessment

As part of its governance arrangements the Council has a risk management strategy and a corporate risk register is monitored quarterly. Through the Corporate Assessment Review 2014 the WAO noted that *“The Council has improved its approach to and presentation of its corporate risk register. The risk register now includes a before and after mitigation risk score at an assessed date and a breakdown of the probability and impact of that risk. The register includes current actions to address each risk and assigns responsibility to senior officers, cabinet member and scrutiny committee”*.

2. Risk Management Strategy

The Risk Management Strategy was agreed by Cabinet in September 2014. It was updated to reflect a revised approach to risk management and improved processes for identifying and escalating risk. Potential benefits of an improved risk management approach are improved decision making, avoidance of shocks and the ability to mitigate threats and take advantage of opportunities.

The strategy includes six key areas where risks are identified and managed:

- Decision Making Process
- Revenue and Capital Monitoring
- Change and Efficiency Programme
- Service and Improvement Planning
- Horizon Scanning Activities
- Information Risk Management

The Risk Management Strategy will be reviewed to ensure that the sustainable development principle of the Wellbeing of Future Generations (Wales) Act 2015 are embedded in the process and frame each risk.

3. Role of Audit Committee

Since the introduction of the Local Government Measure 2011 the local authority's Audit Committee have a role in reviewing and assessing the risk management, internal control and corporate governance arrangements of the authority. Processes and Strategies about risk management should be reviewed by the Committee however the content of the risk register including setting and changing risks included in the register is *not* the role of the Audit Committee.

4. Risks updated in this report

A full review of the Corporate Risk Register has been undertaken and a revised risk register is contained in this report. The following 3 risks replace the 'Budget Challenge' and 'Aging Population' risks

Ref	Risk	Comments
5	In year financial management	These replace the previous risk of 'Budget Challenge' to reflect the complex financial landscape
6	Medium Term Planning	
7	Increased pressure on demand led services	This replaces 'Aging Population' to reflect the trends identified in the Wellbeing Assessment and how they will impact on the Council

5. New Risks

The following risks were added in the 2017 revision of the Corporate Risk Register

Ref	Risk	Comments
8	Risk of stability of external suppliers	This can impact the council's ability to provide services and links to risk 7

9	Increasing pressure on existing infrastructure	Also an opportunity as more people travel from and to Newport links to risk 13 and 7
10	Climate Change	Also reflected in the Community Risk Register
11	Increasing demands on IT Services and the modernisation agenda	Links to risk 6
12	Increasing risk of cyber attacks	Links to risk 11
13	Asset Management	Links to risks 5 and 6
14	Recruitment and retention of specialist professional staff	Links to risk 6

6. Closed Risks

The table below details the following closed risks from the Corporate Risk Register

Date	Risk	Closure Details
September 2014 - April 2015	<i>Risk Title: Delivering a Balanced Budget Risk Description: That the savings required to deliver a balanced budget in the following year cannot be achieved</i>	In November 2014 this risk was scored as probability 1 and impact 1. This was because a balanced budget was drafted and being progressed through the council's decision making hierarchy. A balanced budget was approved by Cabinet and Council in February 2015 and this risk is now considered to be closed.
September 2014 - June 2015	<i>Risk Title: Total Reward Risk Description: That the complex and contentious tensions inherent to the Single Status pay and grading review delays the project implementation.</i>	The Total Reward project has now been implemented and any remaining issues and risks can now be managed at a service area level
September 2014 - June 2015	<i>Risk Title: Information Governance Risk Description: That the council does not have adequate arrangements in place to protect the data in holds and that this results in significant fines and reputational damage</i>	This risk can now be managed at a service area level.
September 2015 – June 2016	<i>Risk Title: Legislative Requirements (Social Services) That new legislative requirements of the Social Services act potentially place significant duties on the Authority that it cannot fulfil</i>	Specific details and guidance for the Act now produced. Work across region to develop solutions to the challenges and locally we have a project team working on implementation of all regulations Big emphasis on prevention and early intervention – reshaping front door services in Adult Social Care – close working with Health Board – redistributed teams to be coterminous with Health Board Neighbourhood Care Networks
June 2016 - August 2017	<i>Investment in Friars Walk Development That the development does not realise its target value and the developer is unable to sell or re-finance the scheme to repay the loan</i>	This no longer poses a significant risk to the council and can be managed at service area level
June 2016- August 2017	<i>City Deal That the SE Wales region, which includes Newport CC, cannot conclude a city deal within the timescales and as a result misses</i>	The city deal has been agreed

	<i>the opportunity to secure investment to improve economic outcomes for the communities of the city</i>	
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Financial Summary

- There are no direct costs associated with this report

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
That the strategy and process are not robust enough to capture all high risks	M	L	Reviewing, testing and embedding processes to ensure that they are fit for purpose	Heads of Service and Performance Team

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Robust risk management practices increase the chances that all of the council's priorities and plans will be implemented successfully

Options Available and considered

- To consider the contents of the Corporate Risk Register and request regular updates
- To request further information or reject the contents of the risk register

Preferred Option and Why

- To consider the contents of the Corporate Risk Register and request regular updates.

Comments of Chief Financial Officer

There are no direct financial implications arising from this report. The corporate risk register forms an important part of the governance and budget setting arrangements for the council and the risk register is used to guide the internal audit plan

Comments of Monitoring Officer

The Council's corporate governance arrangements are an integral part of the risk management strategy, in ensuring that all decisions are made lawfully and constitutionally and that all risks are identified, assessed and mitigated. The absence of successful call-in and legal challenges demonstrates that these arrangements are robust. However, as part of the review of the Constitution, improvements in the Report templates will be considered to further embed risk management principles within the decision-making processes. The Local Government (Wales) Measure 2011 required the Council to establish a stand-alone Audit Committee with statutory responsibility for reviewing and assessing the risk management, internal control and corporate governance arrangements of the authority. However, the identification of corporate risks, for inclusion within the risk register, is an executive decision for Cabinet.

Comments of Head of People and Business Change

There are no direct staffing implications arising from this report.

Risk management is a key element of the council's improvement programme and the Administration's commitment to ensuring strong corporate governance and robust performance management. The risk strategy and register allow the council to consider the longer term overarching risks to the council fulfilling its objectives and obligations and take action to mitigate the impact and probability of those risks.

This review provides an opportunity for the council to consider what key corporate risks face the council in the short medium and longer term.

Comments of Cabinet Member

The Chair of Cabinet has been consulted and has agreed that this report goes forward to Cabinet for consideration.

Local issues

None

Scrutiny Committees

The Risk register is also considered by Audit Committee. Meetings with the committee have resulted in some changes in format and layout of the register.

Equalities Impact Assessment

Not applicable.

Children and Families (Wales) Measure

Not applicable.

Wellbeing of Future Generations (Wales) Act 2015

The guidance on the Act is clear – it requires public bodies to maximise their contribution to improving the wellbeing of Wales. The Act provides a framework for better decision making by ensuring public bodies take account of the **long term**, focus on **prevention**, take an **integrated** and **collaborative** approach, and **involve** people in policy making and planning and delivery of services.

Risk management is a key area to implementing the Wellbeing of Future Generations Act (Wales) 2015, the council must ensure that it considers risks in the short, medium and longer term and that it manages risks in a manner that protects current service delivery and communities as well as considering the longer term impact.

The corporate risk register helps the council to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs by considering the sustainable development principle set out in the Wellbeing of Future Generations (Wales) Act 2015.

Key documents and processes have been revised so that they incorporate sustainable development and wellbeing principles. Over the last three years extensive public engagement has been undertaken in relation to setting service delivery priorities and identifying which services matter most to people, and contribute to their wellbeing. This will continue to inform future planning.

Crime and Disorder Act 1998

Not applicable.

Consultation

As above, the Risk Register is also considered by Audit Committee

Background Papers

Corporate Risk Register, Cabinet, 18th December 2015
Corporate Risk Register, Audit Committee, 28th January 2016
Corporate Risk Register, Cabinet, 14th March 2016
Corporate Risk Register, Audit Committee, 24th March 2016
Corporate Risk Register, Cabinet, 6th June 2016
Corporate Risk Register, Audit Committee, 23rd June 2016
Corporate Risk Register, Cabinet, 12th September 2016
Corporate Risk Register, Audit Committee, 22nd September 2016
Corporate Risk Register, Cabinet, 21st December 2016
Corporate Risk Register, Audit Committee, 26th January 2017
Corporate Risk Register, Cabinet, 24th April 2017
Corporate Risk Register, Audit Committee, 30th May 2017

Dated: September 2017

Risk Management Roles and Responsibilities

The roles and responsibilities of individuals and groups are set out below:

Role	Responsibility
Cabinet and Cabinet Members	To work with Strategic Directors and Heads of Service to define, assess and manage corporate risks. To work with Heads of Service to manage risks within their service delivery portfolios To consider corporate risks as part of the decision making process
Members	To be aware of the corporate risks and to consider risk management in scrutiny meetings and regulatory committees
Audit Committee	To take an overview of the processes involved in managing risk in the council To receive regular reports on the corporate risk register and risk management processes
Strategic Leadership Team	To work with Cabinet Members and Heads of Service to define, assess and manage corporate risks To monitor risks in the risk register To recommend additions and revisions to the risk register To initiate mitigating action for escalating risks To ensure risks are assessed accurately
Heads of Service	To work with Cabinet Members and Strategic Directors to define, assess and manage corporate risks To work with the Cabinet Member to manage risks To implement mitigating action for escalating risks To recommend mitigating action for corporate risks to the appropriate decision making body To ensure risks are assessed accurately
Senior Information Risk Owner (SIRO)	To lead and foster a culture that values, protects and uses information for the success of the organisation and benefit of its customers To own the organisation's overall information risk policy and risk assessment processes and ensure they are implemented consistently by Information Asset Owners (IAO's) To advise the Chief Executive or relevant accounting officer on the information risk aspects of the Council's annual governance statement To own the organisation's information incident management framework
Report Authors / Project Managers / Officers	To be aware of corporate risks and the service area risks that impact on their areas of work To consider the risk register when preparing project documentation and recommending action through decision making processes To recommend mitigating action for escalating risks To implement mitigating action for risks arising through the course of normal service delivery To ensure risks are assessed accurately

Corporate Risk Management Strategy September 2014

Assessing Risk

An assessment of the likelihood and impact of risk is important to measure, compare and monitor risks to ensure efficient use of resources and effective decision making. This assessment is carried out using the risk matrix as described below.

Risk Assessment Matrix

A Corporate Risk Register will contain the high level risks for the whole authority. In order to differentiate between these high level risks a 5x5 risk assessment matrix will be applied. The matrix is shown below and further detail is included in appendix one.

Risks are scored using the scoring system for probability and impact and assigned a rating based on the tolerances set out in the matrix below

Risk Scoring

Probability description	Score
Very Low probability	1
Low probability	2
Medium probability	3
High probability	4
Very high probability	5
Impact description	Score
Negligible	1
Low	2
Medium	3
High	4
Very High	5

Risk Matrix

5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5
	1	2	3	4	5
	Impact				

Impact Matrix

Rating	Severity of impact	General description	Impact factors (and examples of what they might look like)						
			Strategic	Operational	Financial	Resources	Governance	Health & Safety	Reputational
1	Negligible	Low impact. Localised effect		Minor disturbance of non-key area of operations	Unplanned budgetary disturbance <£100k	Loss of asset/money with value >£2k		Reportable (non-serious) accident affecting one employee/member of public/service user	Isolated complaint(s)
2	Low	Low impact for organisation as a whole. Medium localised impact		Minor disruption of a key area of operations or more significant disruption to a non-key area of operations	Unplanned budgetary disturbance £100-£500k	Loss of asset/money with value £2-10k	Mild WAO criticism in report. Mild criticism from a legal/regulatory authority. Isolated fraud	Reportable (non-serious) accident affecting small number of employees/members of public/service users	Formal complaints from a section of stakeholders or an institution
3	Medium	Medium impact for organisation as a whole	Noticeable constraint on achievement of a key strategic objective	Major disruption of a service area for a short period or more minor disruption of a service area for a prolonged period	Unplanned budgetary disturbance £500k-£2M	Loss of asset/money with value £10-50k	Adverse WAO report. Significant criticism from a legal/regulatory authority requiring a change of policy/procedures. Small-scale fraud relating to a number of people or more significant fraud relating to one person	Reportable (non-serious) accident(s) affecting a significant number of employees/members of public/service users or a serious injury to a single employee/member of public/service user	Formal complaints from a wide range of stakeholders (e.g. several institutions), adverse local press, complaint/s upheld by Ombudsman

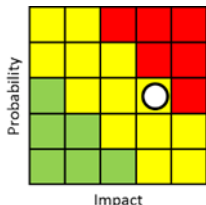

Rating	Severity of impact	General description	Impact factors (and examples of what they might look like)						
			Strategic	Operational	Financial	Resources	Governance	Health & Safety	Reputational
4	High	High impact for organisation as a whole	Severe constraint on achievement of a key strategic objective	Major disruption of a service area for a prolonged period or major disruption of several service areas for a shorter period	Unplanned budgetary disturbance £2-5M	Loss of asset/money with value £50-100k	Qualified account. Severe criticism from WAO/legal/regulatory authority requiring major overhaul of policy/procedures, Significant fraud relating to several employees	Serious injury of several employees/members of public/service users	Significant loss of confidence amongst a key stakeholder group. Adverse national press
5	Very High	Catastrophic	Failure of a key strategic objective	Major disruption of several key areas of operations for a prolonged period	Unplanned budgetary disturbance >£5M	Loss of asset/money with value >£100k	Severe service failure resulting in WAG intervention/special measures Widespread significant fraud	Death of employee(s)	Severe loss of confidence amongst several key stakeholder groups. Damning national press

Probability

Score	General Description	Definition
1	Very Low probability	2% chance of occurrence
2	Low probability	5% chance of occurrence
3	Medium probability	10% chance of occurrence
4	High probability	20% chance of occurrence
5	Very high probability	50% chance of occurrence

Corporate Risks

Risk 1

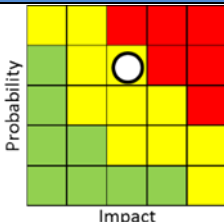

Risk name		Legislative Requirements					
Description/Rationale		<ul style="list-style-type: none">That new legislative requirements potentially place significant duties on the Authority that it cannot fulfil (resulting in adverse judgements from regulators, significant fines and potential court proceedings and/or existing services are compromised)Risk of not meeting increasingly challenging nationally set waste management targetsThe Welsh Government is consulting on local government reform, it is likely that the Welsh Government will repeal or change the Local Government Measure 2009 which will mean changes to the way the council plans and manages it services.Welsh Government drive towards regionalisation and collaborative working – including possible legislation.Welsh Language Act - Gaps in service provision remain, and this remains a reputational risk for the Council.					
Risk rating prior to mitigation		August 2015 – high (16)					
Links to		Service Planning					
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date	
			Probability	Impact			
	August 2017	12	3	4	Unchanged 	December 2017	
	March 2017	12			There is continued pressure on the council to implement the new duties detailed by new legislation. Whilst significant work is underway, there remain major risk factors.		
	December 2016	12	probability	impact			
	August 2016	12					

Planned Mitigation		Timescales	Current Action Status
Welsh Language Act	Strategic equalities group monitors implementation supported by Welsh Language group.	Annual cycle	Governance arrangements and implementation plans are in place
	Action plans in place and being monitored. This has shown significant progress.	Annual cycle	Action plans have been monitored and reported through the Welsh Language Annual Report to Cabinet. The council has made significant progress in terms of practices and positive attitudes. Actions not yet completed are being addressed through Welsh language task groups which report to the Welsh Language Implementation Group

Planned Mitigation		Timescales	Current Action Status
	Progress includes increasing awareness of the Welsh Language Standards across the authority. Leaflets, posters, desk prompts and video available.	Initial campaign March 2016, new roll out Sept 2017	The Welsh language publicity campaign has reach across the council, and all employees consulted in the Staff Conference were aware of the Standards and changes relating to their own work. A Welsh Language and Equalities Engagement Plan looks to measure and improve employee awareness, and thus increase the use of Welsh in the council. The "active offer" is implemented across social services.
	Partnership arrangements with another Council now in place and £280k budget allocated, additional resources now available to support service areas and work such as web site development now underway.	Ongoing	Translation and proofreading is readily available to all staff. A specific contract is in place to deliver translation of the council's web site. We are looking at opportunities to improve the service.
	5 year strategy developed through consultation	Approved Feb 2017 for 5 years	The 5 Year Welsh Language Strategy was consulted upon and approved by Council in February 2017. It will be implemented with partners alongside the Welsh in Education Strategic Plan
Future Generations Act	Cabinet reports updating members on progress and approach. Awareness raising sessions with officers and members completed and work with consultants to develop organisational readiness for the Act underway.	Autumn 2017	Awareness raising session held with members of new Performance Scrutiny – Partnerships in summer 2017 with further sessions to be included in member development programme in autumn 2017 together with further sessions for staff. Consultancy work on corporate readiness undertaken with report recommendations to be considered by senior management.
	Currently developing an impact assessment template that incorporates the sustainability principles. Formal report, service plan and business case templates updated to ensure the principles of the Act are reflected in all decision making.	Ongoing	Programme of any further work required to embed the Act will be developed following consideration by senior management of the corporate readiness report.
	Public Services Board established with agreed Terms of Reference, formal meetings are held at least quarterly.	Ongoing	The PSB has undertaken a partnership evaluation exercise and agreed an action plan. Following the local council election the PSB reviewed its terms of reference and invited existing members to remain on the PSB. Formal meetings held at least quarterly. Meeting papers, minutes and summaries of business published on One Newport website to aid transparency.

Planned Mitigation		Timescales	Current Action Status
	Draft Wellbeing Assessment in place in conjunction with the assessment required for the Social Services Act. Work being undertaken on a Gwent basis to inform the Wellbeing Assessment and Plan - funding secured from Welsh Government to support this work.	April 2018	Public Services Board has published its Well-being Assessment for Newport (Community Well-being Profile) and is progressing development of the Local Well-being Plan for Newport for publication April 2018. Work being undertaken on a Gwent-wide basis to identify possible Gwent priorities. Gwent funding is being utilised on: <ul style="list-style-type: none"> • piloting a well-being measurement tool (Happy Communities) ; • a future scenarios analysis to enhance understanding of likely future trends;
	Development of wellbeing objectives finalised, pending the redevelopment of the Corporate Plan in 2017.	October 2018	The Council published its Well-being objectives and Well-being Statement in March 2017. These are being incorporated into the Corporate Plan 2017-2022.
Waste Management Legislation/ targets	We commenced new contract last week with trade waste diverted for sorting to GD Environmental Services. Dates this financial year run from August 9 th 2017 through to March 31 st 2018 to divert approx. 2500 tonnes this year.	March 31 st 2018	The contract is in place and running. We will monitor monthly to ensure the target is reached.
Responsible Officer:		Chief Executive	
Responsible Cabinet Member(s):		Leader of the Council, Deputy Leader and Cabinet Member for Assets and Member Development	

Risk 2

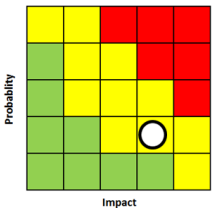

Risk name		Capacity and capability to meet the councils objectives				
Description/Rationale		That there are not skills and or capacity within the workforce to deliver both operational services and also the pace of change needed to modernise services and balance the budget. There are continued capacity and capability gaps across the council; these are more prevalent in some areas than others. Although there are a number of actions (see below) that are being undertaken to remediate this situation, there are still risks going forward which will potentially exacerbate this current situation; these include further required financial savings and issues with recruiting to key positions.				
Risk rating prior to mitigation		August 2015 - Medium (12)				
Links to		Corporate Plan, People and Business Change Service Plan				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	12	4	3	Unchanged 	December 2017
	March 2017	12	High probability	Medium Governance impact		

Planned Mitigation	Timescales	Current Action Status
The Workforce Plan identifies objectives for future planning for all Service Areas.	Completed	Completed – a workforce planning template is available to assist service areas make informed decisions about their people requirements. Further work will be done by the HR service in relation to completing a workforce planning self-assessment tool to identify further areas for improvement. This is anticipated to be completed in Autumn 2017.
People and Business Change will pilot career pathway planning in Autumn 2017 to role model to other service areas	On track – December 2017	A restructure has taken place in HR and the creation of entry level posts into the profession have been created and filled with one internal appointment to facilitate internal progression.
Creation of an apprenticeship scheme was approved in June 2016 and recruitment is underway to the first cohort of apprentices due to start in September 2016, with a possible second intake due to start in January 2017.	Completed	The first cohort of apprentices completed their qualification in Summer 2017 and we are recruiting to the next wave at the end of August once prospective applicants have received their GCSE results and have made decisions about their future plans. It is our intention to continue recruiting apprentices into the Council in future years.

Planned Mitigation	Timescales	Current Action Status
Pilot taking place in Education Services for the roll out of greater NVQ/ILM opportunities for those in the workplace wanting to enhance current skill level. Intention to offer to wider workforce in 2017 linked to workforce planning for each service area	Completed – review of success by December 2017	This pilot has completed and several employees within the Education service achieved their qualifications. We will review the success and benefit brought to the Council in the coming months with a view to making future recommendations at the end of December 2017.
Mandatory training will be identified for each post and linked to job descriptions to set out the expectation of ability, skill and experience at the point of recruitment and to form a development path throughout induction, probation and longer term	Not started	This piece of work has not yet started but has been identified as a priority for 2018/19
Additional Investment in Project Management and business change resources	December 2017	BIP resources will be reviewed in line with the revised change program which will underpin the new corporate plan
Coaching, shadowing and mentoring opportunities delivered as part of the change programme	On track	The first cohort of ILM Level 5 in Coaching concluded in Summer 2017. We are currently reviewing the success of the programme and will make recommendations on wider roll-out in Autumn 2017.
Specific business support and training provided for business change, project and program management, continuous change and specific tools including business case development and project management	Ongoing	Project management and business case support building on the support and training provision already in place further development of support has been undertaken to widen the range of support offered to the organisation.
Training Master classes developed and number of managers attending measured green for 2015 with over 80% attending training to upskill	Completed	We are currently reviewing managerial training, but targets set in this area have consistently been achieved in recent years.
Action Learning Sets have been practised at Senior Management Forum and OD are collating requests from managers to create networks of peer coaching through the use of ALS. HR and Finance partners will be trained as facilitators to enable greater support to managers in identifying problems and creating their own solutions.	Completed	Feedback has shown that our current culture is not yet ready to roll out Action Learning Sets and instead we will be focusing on building our coaching skills as individuals.
Use of external resource / experts	Ongoing	Where there is a capacity constraint or capability gap, external expertise will be utilised on an as required basis.
Sampling of My Review has taken place in August 2016 by the HR/OD team and feedback will be provided to managers in September with a refreshed roll out of training on how to conduct appropriate appraisals between October and March 2017 in time for the next annual appraisal	Completed	In Summer 2016 this exercise was completed and the results fed back to the senior leadership team. Further work was then done on scoping possible alternatives to the outdated My Review system – further information is detailed below.

Planned Mitigation		Timescales	Current Action Status
OD strategy devised to enable the organisation to achieve faster cultural change and improved performance		Completed	The People and Culture Strategy 2017-2022 is in first draft and awaiting publication later in the Autumn. It contains the proposed strategic ambition for the OD function.
People service plan to heavily focus on workforce planning and OD for next 12 months		On track	Service planning has temporarily been postponed until the Corporate Plan is published. It is anticipated that the new People and Culture Strategy 2017-2022 will form the business unit actions for HR and OD in the coming 12 months. Two of the key priorities are OD and Workforce Planning.
Performance management process is currently being reviewed with a key objective for 2016/17 to be the roll out of a revised scheme, new performance management system to be piloted early 2017 to assess whether appropriate for organisation roll out		Completed	<p>As per the My Review comments, a new performance management system has been introduced to the Council – Clear Review. This tool was piloted over a 3 month period at the beginning of 2017 and has now been approved for wider roll out. Feedback suggests that this tool could significantly improve performance management across the Council.</p> <p>The new performance management strategy has been drafted which seeks to draw together all aspect of performance to enable employees and members to know what their responsibilities are</p>
Responsible Officer:		Chief Executive	
Responsible Cabinet Member(s):		Cabinet Member for Community & Resources	

Risk 3

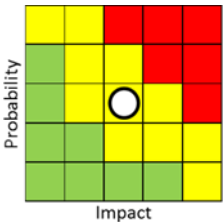

Risk name		Safeguarding				
Description/Rationale		That the arrangements and the implementation of policies and procedures by the council (and its partners) are not adequate to protect vulnerable adults and children who may be at risk of significant harm				
Risk rating prior to mitigation		March 2017 – Medium 8				
Links to		Corporate Plan, Service Planning				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	8	2	4	Unchanged  The level of risk is manageable because this is an area of absolute priority for the local authority. There are safeguarding manager roles across the council and we have strong links with national and regional safeguarding boards	December 2017
			probability	impact		

Planned Mitigation	Timescales	Current Action Status
Safeguarding Action Plan agreed and implementation underway.	November 2017	Implemented The first annual review of the Corporate Safeguarding Report is due to occur in November 2017- this review will establish how efficiently we have met the identified objectives within the safeguarding action plans both corporately and within the specific teams which encompass the Safeguarding Unit of Social Services since the establishment of the Corporate Safeguarding Report in 2016. Actions identified as outstanding or newly identified areas of improvement/ development will be identified as part of this review scrutiny cycle and will therefore be timetabled appropriately to address any unmet needs or deficit areas.
Continuous review of policies and procedures	November 2017	Implemented The suite of Corporate Safeguarding Policies applicable to all service areas within the council are currently under review to appropriately reflect legislative and procedural changes. These documents will have been fully reviewed, ratified, and disseminated via a re-launch of the "Safeguarding involves us all" campaign (the original campaign which launched the Corporate Safeguarding Report in November 2016) prior to the first annual review in November 2017. This ensures that all staff (including voluntary staff, elected

Planned Mitigation	Timescales	Current Action Status
	<p>Ongoing</p> <p>Ongoing- regional work plan of the protocol and procedures sub group is reviewed annually</p>	<p>members and contractors) are clearly aware of and understand their responsibilities in respect of 'safeguarding'.</p> <p>Within the practice of social work across Children and Adult Services where policies and procedures are identified as requiring review due to changes in legislation/ regulations these items are identifiable through CSMT and ASMT processes and Quality Assurance processes. Appropriate staff are identified to undertake the review or development of the required policy/ procedure and timescales are set in order to ensure the required work is completed, the policy is then launched and fully disseminated to the service area for practitioners to use and the documents are stored within the document library of the intranet for easy access.</p> <p>There is also the continuous review process of national and regional policies as identified by the SEWSCB, GWASB and VAWDASV safeguarding boards via the "protocols and procedures" sub group. Work is undertaken on a regional basis and the policies/ procedures/ guidance produced is then agreed and adopted by the 5 local authorities. This ensures a robust compliancy in terms of national policies/ procedures used within regional and local practice are up to date.</p>
Raising awareness of policies and procedures with staff	January 2018	<p>Implemented</p> <p>Within Children's Services there has been a review of the processes in how policies/ procedures are disseminated to staff and the current use of the document library for policies/ procedures currently available on the intranet. A Children's Services Hub Page is currently being developed by the Safeguarding Unit and SRS team to improve how staff locate and access the documents they require for practice. The Hub will be the focal access point for Children's Social Care staff to locate all relevant policies, procedures, forms- this will assist in version control of documents; the regular review and publication of new policies/ procedures/ guidance; and a central place for staff to locate all of the required information and documents. This project will therefore aid in raising awareness of policies and procedures with staff but will also provide a more robust approach to ensuring that the information being provided to staff is up to date and readily accessible.</p> <p>Future development of the Hub page will also be extended to include induction processes and team specific intranet pages which can host team</p>

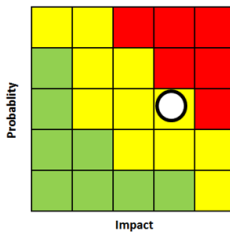
Planned Mitigation		Timescales	Current Action Status
		Ongoing	blogs, news and updates. This project can also be replicated for Adult Services.
Partnership working		Ongoing	Implemented
		Ongoing	Development of the Multi Agency Safeguarding Hub (MASH). Newport is the pilot authority for this project which will bring together all public safeguarding services in a single point of entry where safeguarding referrals can be holistically assessed. The MASH model will facilitate earlier intervention and preventions to limit the need for a more intensive intervention at a later stage by managing cases in a co-ordinated manner. The MASH will also foster closer partnership working and clear accountability with agencies, providing faster, more co-ordinated and consistent responses to safeguarding concerns, ensuring citizens are kept safe with their well-being outcomes met.
		Ongoing	Strong links with the regional safeguarding boards are already in place and will continue.
		Ongoing	The regional service hosted by Health in regard to legislative requirements for Newport council under the Mental Capacity Act, continues to be delivered collaboratively for all Deprivation of Liberty Safeguards for citizens of Newport over the age of 18.
Service Manager for Safeguarding is in place		Completed	Implemented The Service Manager for safeguarding manages across adult, children and education services as well as the regional VAWDASV service.
Safeguarding role in Education		Completed	Implemented The role of the Safeguarding in Education Officer has been extended to encompass the line management of LACES (looked after children in education). Ensuring all schools have reviewed their safeguarding policies and procedures and that they are accessible for the whole school as well as parents and children has been completed over the last year. This will be under continual review
Responsible Officer:		Strategic Director -People	
Responsible Cabinet Member(s):		Cabinet Member for Social Services	

Risk 4

Risk name		Brexit				
Description/Rationale		That the financial implications of leaving the European Union have a negative impact on the councils financial position				
Risk rating prior to mitigation		Medium				
Links to		Corporate Plan, Service Plan				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	9	3	3	Unchanged  This risk remains unchanged as we await further discussion and timescales from the Welsh Government and Central Government	December 2017
			probability	impact		

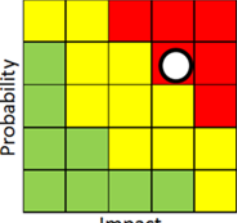
Planned Mitigation	Timescales	Current Action Status
<p>This is needs to be monitored carefully. The result of the referendum in June 2016 has resulted in further uncertainty for the overall financial outlook for the UK. This may have an impact on future funding for the council. (see risks 5 and 6 below)</p> <p>A good deal of our activity is also guided by EU regulation. It remains unclear when the UK will formally exit the EU and how these regulations may change</p> <p>This remains uncertain, further discussion and engagement from the Welsh Government and UK Government is needed to confirm timescales</p>		
Responsible Officer:	Strategic Director -Place	
Responsible Cabinet Member(s):	Leader of the Council	

Risk 5

Risk name		In year financial management				
Description/Rationale		<ul style="list-style-type: none">- Historical overspending in key areas occur each year and are increasingly difficult to mitigate- Step change in level of overspending in 2016/17 and forecasted overspending in 2017/18 shows significantly worsening position- Level of overspending is significantly over and above revenue budget contingency and over current / previous year only mitigated from strong C Tax collection due to accelerated house building – which cannot be guaranteed in future years- Overspending can undermine service delivery and medium term planning where significant mitigation means services need to defer spending to manage the overall budget- Risk to requiring additional on-going budget in service areas affected which makes the 2018/19 and future budget challenge more difficult to manage / achieve				
Risk rating prior to mitigation		Medium				
Links to		In year overspending can affect all services depending on severity and mitigation put in place, including impacts on future year budgets				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	12	3	4	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation	Timescales	Current Action Status
CMT instigated targeted spending freeze on non-essential spending	Now	In place and on-going
Chief Executive and HoF will be holding monthly meetings with adult social care management team to look and review actions for reducing spend	Sept onwards	
HoS for adults/children social care and education have reviewed and improved decision making panels who assess individual cases accessing services	Now	In place and on-going
Responsible Officer:	Chief Executive / Directors / Heads of Service	
Responsible Cabinet Member(s):	Leader as CM for strategic finance – in conjunction with Cabinet colleagues	

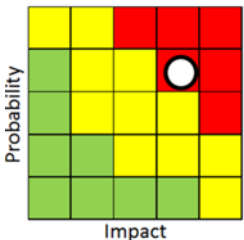
Risk 6

Risk name		Balancing the Council's Medium Term budget				
Description/Rationale		<ul style="list-style-type: none"> Council does not have a change programme which addresses the financial shortfall in the Council's Medium Term Financial Plan. Not balancing the budget over a longer timeframe than has currently been achieved may challenge and could damage the Councils on-going Financial Resilience Risk of not meeting / funding key priorities No specific or any reserves exist which are not already earmarked for other uses and therefore available to help 'balance the budget' in any one year. Use of these will potentially affect funding for those things that they are there to support/fund The consequences of using 'reserves' to balance the budget in any one year are challenging / significant – both needing to find more savings in consequent years and repaying the reserve used Lack of on-going medium term financial settlements from WG continue makes meaningful medium term financial planning more difficult. 				
Risk rating prior to mitigation		High				
Links to		The lack of a balanced medium term financial plan has potential impact on all Council services and priorities				
Present Matrix		Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk
				Probability	Impact	
		August 2017	16	4	4	Not applicable until next update as this is a new risk
				probability	impact	
						December 2017

Planned Mitigation		Timescales	Current Action Status
On-going review and challenge to budget pressures within the MTFP		On-going	
Finalising list of first tranche of proposed budget proposals for discussion with informal Cabinet		Sept 17	
Complete service cost-benefit prioritisation exercise with informal Cabinet		Sept 17	
Responsible Officer:		Chief Executive / Directors / HoS	
Responsible Cabinet Member(s):		The Leader of the council	

Risk 7

Risk name	Increased pressure on demand led services
Description/Rationale	<p>Education</p> <p>As the population grows and certain groups within the population increase this will affect many services across the council that deliver services to meet demand. The growing population also places pressures on universal services that are provided to everyone.</p> <ul style="list-style-type: none"> • That an increasing percentage of the population are over 65 putting an increasing strain on demand led services, particularly those that are statutory and raising the risk of unplanned significant budgetary overspends. • Removal of preventative services could impact negatively on statutory services by increasing the demand and complexity of needs. • Increasing population putting extra pressure on school places across Newport. • As children with complex needs live longer, the number of children requiring care will increase and the length of care that they require will increase • Growing population of highly vulnerable children • Increasing demand for refuse collection • Increasing number of households and highways <p>Social Services</p> <p>As the population grows and certain groups within the population increase this will affect many services across the council that deliver services to meet demand. The growing population also places pressures on universal services that are provided to everyone.</p> <ul style="list-style-type: none"> • That an increasing percentage of the population are over 65 putting an increasing strain on demand led services, particularly those that are statutory and raising the risk of unplanned significant budgetary overspends. • Removal of preventative services could impact negatively on statutory services by increasing the demand and complexity of needs. • Increasing population putting extra pressure on school places across Newport. • As children with complex needs live longer, the number of children requiring care will increase and the length of care that they require will increase • Growing population of highly vulnerable children • Increasing demand for refuse collection • Increasing number of households and highways
Risk rating prior to mitigation	<p>High</p> <p>This rated high for Education Services and Medium for Social Services an overall rating of High has been assigned.</p>
Links to	corporate plan, service plans

Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	16	4	4	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

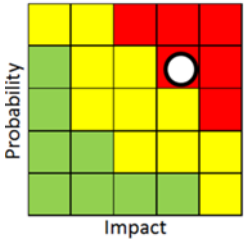
Planned Mitigation	Timescales	Current Action Status
<p>Education Increasing population putting extra pressure on school places across Newport. One new school (due to open September 2017) and second new school (due to open September 2018). Both established largely through 106 funding. Additional school places have been established across the city through a capacity exercise. Where schools are being re-developed, (e.g. Bryn Derw, Caerleon Lodge Hill) additional places have been included. Three further new build schools are planned through 106 monies funding from 2019 – 2024 (NB: shortfall in funding that will need to be made up by Authority). Forecasts show that there is also a need for expansion on existing school sites, in specific areas of the city, with significant population growth. A Welsh Government 21st Century Band B' schools bid has been made which focusses on Newport's urgent need for additional school places as our key priority.</p> <p>•As children with complex needs live longer, the number of children requiring care will increase and the length of care that they require will increase The number of educational places within the city need to grow in order to provide provision for pupils with complex needs</p> <p>•Growing population of highly vulnerable children: The number of Learning Resources Bases across the city will</p>	<p>September 2017 – 2018</p> <p>2019 – 24</p> <p>2017-2019 (planning to completion)</p>	<ul style="list-style-type: none"> Plans are in place but are subject to funding from 21Century Schools funding and developers. Capacity exercise complete. Jubilee Park Primary is due to open September 4th 2017. Glan Lyn Primary is due to open September 2018. 21C schools bid has been submitted but as this is a national grant Wales is significantly over subscribed. Expansion of Maes Ebbw planned to cater for the increasing number of pupils already placed there. Plans to relocate the tertiary element of the school to further increase placements The ASD School, Ysgol Bryn Derw has been established and will open in September 2017. This has given additional spaces at Maes Ebbw. A Learning Resource Base will be included in all new and rebuilt school opening within city. Jubilee Park Primary LRB will open in September 2017. Lodge Primary and Glan Lyn Primary will include LRBs and are due to open in September 2018. An analysis of Out of County Placement is planned between August

Planned Mitigation	Timescales	Current Action Status
<p>expand to support increased demand of pupils with Special Educational Needs, allowing them to maintain mainstream school places.</p> <p>The total cost of Out of County placements continues to grow. Education Services will develop an analysis and forecast of Out of County Placements in order to facilitate a strategic plan of supporting these needs in the most affordable way over the next five years.</p>		and September 2017. Forecasting will be derived from this. Aims and objectives for a Strategic Out of County Planning Group is being developed.
<p>Adult and Community Services</p> <p>That an increasing percentage of the population are over 65 putting an increasing strain on demand led services, particularly those that are statutory and raising the risk of unplanned significant budgetary overspends.</p> <p><u>MANAGING DEMAND – PREVENTION EARLY INTERVENTION</u></p> <ul style="list-style-type: none"> Older Person's Pathway - joint initiative with Health, people identified from GP surgeries and offered a Stay Well Plan that is individualised and focused on maintaining well-being and health. Reconfiguring a number of service pathways including Frailty & Reablement to reduce duplication, streamline provision, facilitate hospital discharge and provide services focused on maintaining independence. Investment in preventative services including 2 Third Sector consortiums offering information, advice and assistance for any Newport citizen. Investment into First Contact Team offering advice, assistance and signposting to a full range of services. Utilisation of ICF for Community Connectors offering community based assistance to people who require support to access low level services <p><u>MARKET MANAGEMENT</u></p> <ul style="list-style-type: none"> Domiciliary care and Residential and Nursing provision commissioned robustly. Working closely with providers to ensure services are fit for purpose in terms of quality and capacity. Relationship management ensures flexibility and responsiveness Ensuring in house services are cost effective and targeted at community need. 	<p>In Place</p> <p>Ongoing</p> <p>In Place</p> <p>In Place</p> <p>Ongoing</p>	<p>Currently in place in 11 out of 20 GP surgeries in Newport, further roll out planned.</p> <p>Further work required to establish new pathway. This will reduce duplication in the existing process and improve accessibility.</p> <p>Ongoing monitoring to identify impact of provision</p> <p>Social care workforce is complex and challenging. Budgetary restrictions are impacting Nationally. In Newport the ongoing relationship and commissioning oversight ensures stability and there is a focus on encouraging new providers to enter the market</p> <p>Continued delivery of in house provision will be reviewed on an ongoing basis.</p> <p>Annual fee negotiations – ongoing dialogue</p>

Planned Mitigation	Timescales	Current Action Status
<ul style="list-style-type: none"> Cost control –negotiating sustainable fees with providers that offer value for money whilst protecting the social care workforce Engagement with Regional workstreams to address National issues around the purchase of domiciliary and residential care services Early engagement with Health to maximise CHC funding for people with Health needs 		<p>Workstreams are addressing the issues faced by all Welsh Local Authorities in the delivery of social care – budgets- stability of market</p> <p>Ongoing.</p>
<p>Removal of preventative services could impact negatively on statutory services by increasing the demand and complexity of needs.</p> <ul style="list-style-type: none"> Investment in a consortium model of third sector preventative services to offer a single point of contact for all Newport citizens Investment in a Third Sector mental health consortium in partnership with Health – offering a single point of contact for citizens in Gwent Utilisation of ICF to deliver a Community Connector Service – offering community support for people to access services. Utilisation of ICF to employ a Cares Development Officer 	<p>In Place</p> <p>In Place</p> <p>In Place</p> <p>In Place</p>	<p>Ongoing monitoring to measure effectiveness at managing demand and offering interventions and assistance to those who would not be eligible for statutory care but who need support.</p> <p>Ongoing monitoring to measure effectiveness at managing demand and offering interventions and assistance to those who would not be eligible for statutory care but who need support.</p> <p>Ongoing monitoring to measure effectiveness at managing demand.</p> <p>Working with Carers groups to ensure they are supported in their role and to minimise the instances of carer breakdown</p>
<p>Children and Family Services As children with complex needs live longer, the number of children requiring care will increase and the length of care that they require will increase.</p> <p>Growing population of highly vulnerable children</p> <p>Investment in developing preventative services to work with families to build resilience and to prevent children from being accommodated:</p> <ul style="list-style-type: none"> Re-tendering for the Strategic Collaborative Partnership that delivers the Family Assessment Support Service (FASS) and Family Support Team (FST) Tendering for short break services for families with 	<p>In place</p> <p>On going</p>	<p>Currently in process. When successful tenderer has been awarded contract work will commence with provider to develop service and be on going contract management</p>

Planned Mitigation		Timescales	Current Action Status
<p>Children with disabilities.</p> <ul style="list-style-type: none"> • Providing in house respite service for families with children with disabilities. • Carers Development Officer supports families with Children with disabilities <p>Engagement with Regional work streams to address developing a consistent framework around Continuing Health Care Process.</p> <p>Cost control –negotiating sustainable fees with providers that offer value for money whilst protecting the social care workforce</p>		<p>On going</p> <p>In place</p> <p>In place</p> <p>On going</p> <p>On going</p>	<p>Currently in process. When successful tenderer has been awarded contract work will commence with provider to develop service and be on going contract management</p> <p>Ongoing monitoring to measure effectiveness at managing demand</p> <p>Work streams are addressing national concerns raised by Welsh Local Authorities. Conclusion of the work will inform direction of travel.</p> <p>Continued fee negotiations with providers to ensure best value and to ensure best outcomes.</p>
Responsible Officer:	Strategic Director – People		
Responsible Cabinet Member(s):	Cabinet Member for Education and Skills Cabinet Member for Social Services		

Risk 8

Risk name	Risk of stability of external suppliers					
Description/Rationale	Growing cost of delivering services and purchasing materials will impact on external supplier's ability to continue to fulfil contract obligations. Potentially short notice of inability to provide services					
Risk rating prior to mitigation	High					
Links to	Change programme, service planning, corporate plan etc.					
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	4	4	5	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

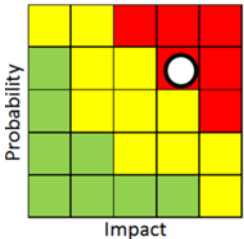
Planned Mitigation	Timescales	Current Action Status
Market Management Consultation and engagement with social care providers	Ongoing	It is critical to maintain the momentum of dialogue with providers if we are to maximise our influence on the social care market. We have a responsibility to protect the sustainability of services and to ensure appropriate care is available at a fair cost to meet the needs of Newport citizens.
	Ongoing	Continuous dialogue with Providers to understand the real costs of care, helping them to operate efficiently and escalating identified pressures through the appropriate financial channels.
Encouraging New Providers To Enter The Market The offer of block contracts for domiciliary care hours that provides incentive for new providers and creates a diverse market place.	Ongoing	Particular progress in relation to understanding and managing the costs associated with Children's placements but more work needs to be done in this area as demand outstrips supply.
Open dialogue with providers interested in entering the market to ensure they are fully informed about service demand and future	Ongoing	Block contracts are offered for a period of 3 – 5 years but 3 domiciliary care agencies have given notice and ceased trading in Newport over the past year. Three new providers have entered the market as a result of successful

Planned Mitigation	Timescales	Current Action Status
commissioning intentions	Ongoing	<p>bids for NCC contracts but the market remains difficult</p> <p>Ongoing work with new & existing providers to ensure they can develop their business in Newport and become sustainable.</p>
<p><u>Developing New Sustainable Models of Service & Maximising Alternative Funding</u></p> <p>Working with partners such as Housing and Health to develop new services that are more financially sustainable and offer better opportunities for people to live independently</p>	Ongoing	<p>Ty Eirlys is a new supported living scheme for 13 people with Learning Disabilities in Newport, its success will offer further opportunity for more developments of its kind that are based on independent living and minimise the level of reliance on Community Care budgets</p>
<p><u>Working With Commissioning Partners</u></p> <p>Working Regionally & Nationally to share knowledge, best practice, market intelligence and to develop commissioning strategies in both adults and children's services</p>	Ongoing	<p>Continued work with the 4C's Consortium in relation to sourcing appropriate placements for Children</p> <p>Engaged with the National Commissioning Board, set up by the Welsh Government to address issues within the residential care sector for older people</p> <p>Engaged with the National work-stream around domiciliary care to address the issues around workforce stability and market resilience</p> <p>Most providers operate in multiple local authority areas, so sharing intelligence with other commissioners is essential</p>
<p><u>Commissioning Function</u></p> <p>Strong, well organised Commissioning function and agreed strategies that effectively oversees and controls all purchasing activity and understands the local market. The Commissioning team are fully sighted on market issues, have well developed relationships with providers and work closely with operational teams to source good quality sustainable services</p>	Ongoing	<p>It is vital that we have a strong Commissioning Team in order to respond to challenges presented by the external market including poor provider performance, provider failure, providers giving notice on complex packages and providers exiting the market - failure to do so would put vulnerable people at risk.</p>

Planned Mitigation		Timescales	Current Action Status
		Ongoing	Effective commissioning of care and placements that require Providers to demonstrate sustainable staff recruitment and retention practices, including pay rates and training opportunities.
Responsible Officer:	Strategic Director -People		
Responsible Cabinet Member(s):	Cabinet Member for Social Services		

Risk 9

Risk name	Increasing pressure on existing infrastructure
Description/Rationale	<p>The M4 Bridge tolls will be abolished for all vehicles in 2018 this is a positive opportunity for the city but the council must consider the potential impact on existing infrastructure.</p> <p>Traffic at the Toll's is currently 'held' back and released creating a pulsing effect on traffic entering Wales.. Removal of this effect will result in more traffic reaching the 2 lane sections at Magor and the Brynglas tunnels quicker, with associated congestion.</p> <p>Although that is primarily a network management issue for the SW Trunk Road Agency, it is likely to result in rat running on alternative routes impacting on the city's network. Increased use of the Steelworks Access Road, SDR and Chepstow Road is anticipated as the main alternatives motorists will seek to use.</p> <p>We know this with some confidence due to the regular effect on our network of congestion, road collisions and roadworks on the M4 .</p> <p>The tolls are a barrier to logistics companies (some firms spend £200k per annum in toll fees); therefore many logistics and distribution firms locate on the English side of the bridge. Removal of the tolls is likely to result in a review of location, with the potential relocation in and around Newport increasing the impact on local networks</p> <p>House prices in Bristol are relatively expensive; therefore removal of the tolls could increase the attractiveness of living on the Welsh side and commuting to Bristol. This presents an opportunity for Newport, especially locations with good motorway access east of the tunnels but it will attract significant additional car journeys.</p> <p>Increased light and heavy vehicular usage will impact on the whole life of our highway assets and result in increased routine maintenance and associated revenue and capital investment.</p> <p>Any additional traffic will be detrimental to air quality – particularly within the city's existing AQMAs</p> <p>Impact on public transport and Council services</p> <p>Increased traffic on local roads will have a detrimental impact on journey time/reliability. It will also increase operating costs for public transport and council services that rely on road based delivery models. (the Welsh Assembly Enterprise and skills committee are undertaking an inquiry into the impact of congestion on bus services).</p> <p>Consideration of additional resources or different delivery models may be required as mitigation</p>
Risk rating prior to mitigation	High
Links to	Corporate Plan, service plan

Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	16	4	4	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation		Timescales	Current Action Status
<ul style="list-style-type: none"> In the long term, the successful delivery of the proposed M4 would have the potential to mitigate the effects of the toll removal through Newport. 		Start date: spring 2018 End date: end 2022	This proposal is still at Public Enquiry stage
<ul style="list-style-type: none"> Improved Public Transport Measures (including Great Western Cities Initiative to improve rail connectivity between Newport, Cardiff and Bristol, Bus Rapid Transport and Metro). Improved links to existing M4 		Unknown Start date: March 2015 End date: 2018	Various feasibility studies have been commissioned to increase connectivity through the city and are waiting funding to progress. Newport are currently working with WG on improving transport links, congestion and journey times through the Junction 28, Forge Road and Tredegar Park roundabouts reconfiguration works.
Responsible Officer:		Strategic Director -Place	
Responsible Cabinet Member(s):		Cabinet Member for Streetscene	

Risk 10

Risk name	Climate Change: Effects on future condition and availability of Council Infrastructure and reducing the future impact of further greenhouse gas emissions.
Description/Rationale	<p>It is generally accepted that the effects of global warming will result in:</p> <ul style="list-style-type: none"> · All areas of the UK get warmer and the warming is greater in summer than in winter; · Little change in the amount of precipitation (rain, hail, snow etc) that falls annually but it is likely that more of it will fall in the winter with drier summers for much of the UK · Sea levels rise – more in the south of the UK than the North. <p>To tackle the challenge of climate change, Newport needs to act on two fronts;</p> <ul style="list-style-type: none"> • Prepare for the changes that are already happening because of the greenhouse gases which have already been released • Reduce the greenhouse gases we emit through our operation by reducing and decarbonising our energy consumption <p>Preparing for the changes</p> <p>Newport should consider how various climate change variables such as intense or prolonged rainfall; hotter temperatures and higher wind speed will impact on the type of highway assets that they manage and the likelihood of these events occurring. By doing this the greatest generic risks to network closure or restriction can be identified. These are likely to be;</p> <ul style="list-style-type: none"> • Flooding (pluvial, fluvial, groundwater and coastal) • Snow • Landslips • Scour • Wind damage • Heat/ water and frost damage • Disruption at interchanges with other transport modes such as rail and bus. • Inadequate or over stretched resources to meet demand <p>Newport should review and apply the latest UK Climate Projections, as developed by the Met Office and Environment Agency, when assessing future risk and vulnerability. These projections for future changes to both average climatic conditions and also the frequency of extreme weather events, allow for an understanding of where risk levels may change, and the identification of new risks which may emerge as the climate changes. When applied alongside records of past incidents, and other information sources (such as flood maps), climate projections may also help to identify when and what action should be taken to adapt to the risks.</p> <p>The locations where there is potential for these events to occur on the Network should be identified. This can be done using the highway asset inventory and records of past incidents of weather related damage or incidents such as flooding or landslips. The local Flood Risk Management Plans should also be used to identify areas prone to flooding. Where possible, local knowledge should be used to validate the findings.</p>

Decarbonising and reducing our energy consumption

The Environment (Wales) Act 2016 requires that Wales reduce its carbon emissions by 80% by 2050; at the time of writing the Welsh Government are consulting on the Public Sector being Carbon neutral by 2030 as well as how targets and budgets will be implemented from now until 2050.

In 2016/17 Newport City Council was responsible for the direct (scope 1 and 2) green house gas emissions of 17,224 Tonnes of CO₂eq from our electricity and gas supply alone. Although a significant improvement on previous years, with fleet vehicles adding to this total, the impact of the day to day operation of the council is substantial. Indirect emissions, such as from procurement of goods and services, waste and employee commuting may also be considered in the future. Achieving the required reduction will be a challenge, but there is considerable potential for improvement with the correct investment.

The need for a greener national electricity system is contributing towards increasing energy costs for consumers. The UK Government (BEIS) mid-range forecast predicts that prices will increase at circa 4% per annum until 2025. This represents a significant increase in the cost of electricity for Newport City Council if no reductions are made.

Newport City Council has limited renewable energy generation across our estate, increasing this significantly would be a major step towards meeting emission reduction targets. Potential locations for installations will be reviewed and options for implementation considered.

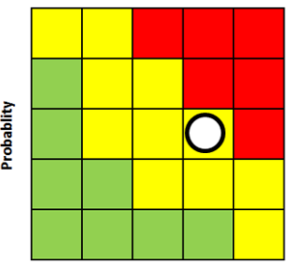
Some of the risks may have the potential to be reduced by mitigation action. Such action could range from improved routine inspection or maintenance regimes to major asset improvement or replacement works. Options for mitigating the greatest risks should be explored with a view to prioritising those measures that will provide the greatest return on investment in terms of reduced risk. These measures should be integrated with the asset management plan with an appropriate weighting.

Risk rating prior to mitigation

Medium :
There are a number of risks within this document, each with an individual risk ranging from low to high. The average risk as a whole has been calculated as upper medium

Links to

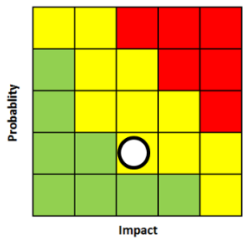
NCC Assets, Streetscene Service , Civil Emergencies and Severe Weather Emergency Plans

Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	12	3	4	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation	Timescales	Current Action Status
Produce and implement a Carbon Management and Implementation plan to set out a strategy, objectives and programme to reduce overall carbon emissions, provide investment opportunities and to mitigate against anticipated increases in energy supply costs.	Ongoing (spring 2018?)	Newport is currently evidence gathering and scoping carbon, energy and cost savings measures which could be delivered in 2018/19 and beyond.
Aim to get the best value for money from procurement of utilities through the National Procurement Service. Wherever possible purchase electricity backed by Renewable Energy Guarantee of Origin Certificates.	Ongoing	Continue to review energy supply options and secure the best value and lowest carbon energy supply for Newport.
Undertake a full review of the Council's assets and their suitability for the application of renewable energy technologies to deliver Carbon and financial benefits.	Ongoing	Review of all council assets using external expert support, feasibility studies and business cases will be put forward where appropriate.
Plan and deliver Sustainable Urban Drainage Systems (SuDS) - SuDS such as permeable surfaces, swales, wetlands and ponds can play an important role in managing local flood risk in urban areas since they replicate natural surface water drainage systems.	Ongoing	Welsh Government is currently consulting on legislation for the Implementation of sustainable drainage systems on new developments. The primary aim of this legislation is;; <ul style="list-style-type: none"> - To encourage SUDS on new developments, such as swales, ponds, storage areas, etc. in order to manage drainage and surface water; - For a SAB (SUDS Approval Body) to be implemented within each council to review SUDS designs prior to construction; - For SAB'S (Local Authorities) to adopt and maintain SUDS over their lifetime.
Comprehensive and robust Adverse Weather Plans	Existing	The plan will evolve to mitigate the effects of climate change as they start to impact on council services and assets Consideration needs to be given to the provision of a suitable co-ordination structure and associated resources to prepare for the impact.
Plan and deliver green infrastructure - green infrastructure (trees, parks, open space etc) is important because it can help to keep cities cool in the summer, provide drainage routes for surface water and provide pathways through the	Existing	The Green Infrastructure of the authority is monitored and managed primarily through overarching plans, policies and guidance such as LANDmap, the Local Development Plan, the Biodiversity Action Plan, the Fields in trust Standards and the assessment of Accessible Natural Greenspace provision.

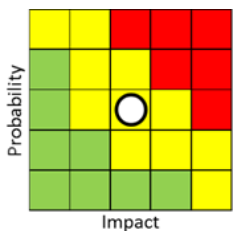
Planned Mitigation		Timescales	Current Action Status
urban environment for biodiversity to migrate as the climate changes.			<p>Develop the criteria for the Special Landscape Areas.</p> <p>Gwent Levels Landscape Character Assessment and Green Infrastructure assessment through the Living Levels project.</p> <p>Comprehensive management and replacement programmes for trees and woodlands.</p>
Selection of road surfacing materials that have a higher resistance to heat damage and /or heat reflectivity. Increased preventative maintenance to seal surfaces to water ingress and arrest disintegration		Under review	Newport will continue to review the performance of materials and promote timely intervention to secure the whole life of assets. Advances in materials and technology will be embraced where and when applicable.
Maximise on available Welsh Government funding to improve the defence of the city against fluvial and coastal flooding		Ongoing	Newport will continue to work with all relevant partners to secure funding to mitigate these risks. However, lack of capital funding to meet the authority's contribution (circa 25%) can be a barrier.
Responsible Officer:		Strategic Director –Place	
Responsible Cabinet Member(s):		Deputy Leader / Cabinet Member for Assets Cabinet Member for Streetscene	

Risk 11

Risk name		Increasing demands on IT Services and the modernisation agenda				
Description/Rationale		Increased demand for IT services with a reducing budget poses a risk to the future development of IT infrastructure and the development and delivery of the modernised council agenda.				
Risk rating prior to mitigation		Medium				
Links to		Corporate Plan, People and Business Change Service Plan, modernised council agenda				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	6	2	3	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation		Timescales	Current Action Status
Manage and develop effective IT services following transition to SRS by establishing strong retained client-side management arrangements, processes and procedures		On-going	Arrangements in place to monitor planned work and projects. More strategic issues being addressed following transfer of service.
Development and implementation of digital by default by committing to move all transactional services online and fully digitising the back-office		On-going	Strategic aims and objectives being developed and will be managed in line with work on 'Modernising Council'. Also monitored by the council's Digital Board
Monitoring of carefully considered data set to manage performance of the SRS arrangement/demand on services		On-going	The measures are in place and will be monitored on a quarterly basis
Responsible Officer:		Strategic Director –Place	
Responsible Cabinet Member(s):		Cabinet Member for Community & Resources	

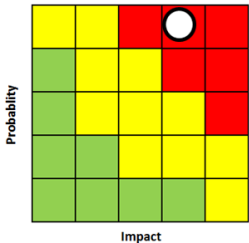
Risk 12

Risk name		Increasing risk of cyber attack				
Description/Rationale		Risk of data loss, disaster recovery, impact of possible fines				
Risk rating prior to mitigation		Medium				
Links to		Corporate Plan, People and Business Change Service Plan, modernised council agenda				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	9	3	3	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation		Timescales	Current Action Status
Using and Securing Data in line with the council’s Digital Strategy. Numerous information risk management activities including the role of the Information Governance Group, Senior Information Risk Owner (SIRO), and Annual Information Risk Report. Also managing compliance, information security incident management, training and awareness raising.		Most of these activities are carried out throughout the year	Most of the activities are carried out on an on-going basis. Vulnerabilities identified by the Annual IT Health Check are being addressed in line with Public Services Network (PSN) accreditation. Lessons have been learned as a result of previous incidents and improvements are being made to business continuity arrangements.
Responsible Officer:		Strategic Director –Place	
Responsible Cabinet Member(s):		Cabinet Member for Community & Resources	

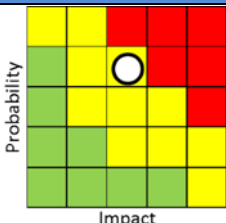
Risk 13

Risk name	Asset Management – Carriageways and Buildings
Description/Rationale	<p><u>Carriageways</u></p> <p>It is acknowledged throughout Wales that current funding levels fail to ensure a minimum of steady state in highway condition and untreated highway assets continue to deteriorate. Although Newport has proactively used its powers to fund highway condition improvements through prudential borrowing and has benefited from Welsh Government's Local Government Borrowing Initiative (LGBI), the cessation of the Welsh Governments Road Maintenance Grant has resulted in under investment into the city's carriageway asset stock since 2014/15.</p> <p>Carriageway condition is a Public Accountability Measure within the council's suite of performance indicators. Using the Horizons asset management tool, highway condition can be forecasted for future years against differing levels of capital funding. Using a zero capital budget scenario, the condition evaluations are:</p> <ul style="list-style-type: none"> ▪ Cost (over 5 year period) to bring the network up to standard (clear maintenance backlog) = £31.8M. ▪ Cost (over 5 year period) to keep the PIs PAM 020,021 and 022 at a steady state (maintain current network condition) = £13.4M. ▪ Gross replacement cost £646M. <p><u>Buildings</u></p> <p>Newport City Council has a significant property estate, many of which have suffered from a lack of annual and cyclical repair, maintenance and investment. £1.5M is invested annually within the NCC estate from the Capital Maintenance Programme, however, this is not enabling a meaningful impact in reducing the maintenance backlog, which is estimated to be at a value of £50M (<i>dated May 2017</i>). NCC is investing its repair and maintenance programme at a rate of £105/m2 which is particularly low compared to adjacent authorities and public sector organisations.</p> <p>The majority of backlog is contained within building elements such as roofs, timber windows, boilers and electrical works. Based on a maintenance backlog estimate of £50M and assuming a £3M annual depreciation across the estate an investment of £8M per annum would be required.</p>
Risk rating prior to mitigation	High
Links to	<p>Streetscene Service Plans since 2014/15.</p> <p>Corporate Property Strategy and Strategic Asset Management Plan 2013-2018</p> <p>Corporate Asset Management Plan 2018-2023</p>

Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	20	5	4	Not applicable until next update as this is a new risk.	March 2018
			probability	impact		

Planned Mitigation		Timescales	Current Action Status
Carriageways – The limited capital investment has been implemented to maximise the safety, serviceability and sustainability of the highway asset. However, asset condition continues to decline		Annual	This limited intervention will continue as long as funding can be apportioned out of the Streetscene Capital Annual Sums
Carriageways – Robust highway inspection and repair regimes mitigate the risk of 3 rd party claims as a result of failure of duty to maintain the highway under Section 41 Highways Act		Continual	This work is ongoing but although it ensures highway safety, it has no impact on the mitigation of the initial risk to the whole life of the asset
Carriageways – Support WLGA in its lobbying of Welsh Government for the reintroduction of funding through another round of LGFI		Continual	There is no indication that any additional funding will be made available in the foreseeable future
Buildings – Condition surveys are being enhanced for 2017/18 and 2018/19 to better understand the entire estate, with a reduced commitment for each year thereafter for cyclical condition surveys and specialist surveys to accompany.		Annual	Tendering, evaluation and commissioning of condition surveys due to take place before October 2017.
Buildings – A greater level of programming and prioritisation of the Capital Maintenance Programme for delivery to include life expectancy, building sufficiency and suitability, as well as backlog value.			
Responsible Officer:		Strategic Director - Place	
Responsible Cabinet Member(s):		Cabinet Member for Streetscene Deputy Leader / Cabinet Member for Assets	

Risk 14

Risk name		Recruitment and retention of specialist professional staff				
Description/Rationale		Resilience of Council services and ability to retain specialist professional staff and attract new employees in a competitive market place				
Risk rating prior to mitigation		Medium				
Links to		Corporate Plan				
Present Matrix	Assessment Date	Present Risk Score	Present Score Breakdown		Direction of Risk	Review Date
			Probability	Impact		
	August 2017	12	4	3	Not applicable until next update as this is a new risk	December 2017
			probability	impact		

Planned Mitigation	Timescales	Current Action Status
Review of equal pay audit in March 2018 to ensure integrity of the Council's pay and grading system	March 2018	
Effective succession planning practices demonstrated in key service areas where risk is perceived to be high	Ongoing	Heads of Service will be required to effectively succession plan to ensure internal talent is being developed in order to successfully appoint to key positions when vacancies arise due to external progression. Heads of Service will need to work closely with their HR Business Partner to identify their individual risks and what development needs exist within their current workforce.
Responsible Officer:	Chief Executive	
Responsible Cabinet Member(s):	Cabinet Member for Community and Resources	

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Report



Cabinet

Part 1

Date: 13 September 2017

Subject **July Revenue Budget Monitor**

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

Author Head of Finance

Ward All

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

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

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

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

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

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

Proposal Cabinet is asked to:

- Note the overall budget forecast position and the key assumptions and issues which underpin and impact on the Council's financial forecast position;
- Approve the use of all of the Council's contingency budget to balance the current level of overspending, which will be assessed each month on an on-going basis;

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

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

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

Timetable On going

This report was prepared after consultation with:

Strategic Directors
Head of Finance
Heads of Service
Budget Holders
Accountancy Staff

Signed

Background

Overview and Key Assumptions

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

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

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

Upsides

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

Risks

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

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

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

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

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

(i) Staffing

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

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

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

(ii) Recurring Pressures and Proposed Action

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

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

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

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

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

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

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

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

2016/17 Unachieved Savings - Streetscene

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

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

Emerging Risks/ Opportunities

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

Children & Young People

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

Adult & Community Services

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

Education

- SEN – A significant number of new out of county (OOC) placements have been approved over the summer term and although the number of placements have reduced from 2016/17 (173 places) to 2017/18 (144 places), the placements are for 'high end' needs which are, relatively, extremely costly compared to existing placements.
- There remains some uncertainty on the level of overspend for OOC placements, the finance team are working with Education to work through the assumptions and forecasts for these placements to clarify the position. This will be updated in the next monitoring report.

Streetscene & City Services

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

Schools

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

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

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

Use of reserves

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

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

Allocation of Funds

(ii) Progress on Implementation of ‘Priorities’ Spending List

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

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

Timetable

Ongoing

Risks

Risk	Impact	of	Probability	What is the Council doing or	Who	is
------	--------	----	-------------	------------------------------	-----	----

	Risk if it occurs* (H/M/L)	of risk occurring (H/M/L)	what has it done to avoid the risk or reduce its effect	responsible for dealing with the risk?
Risk of overspending	H	M	Regular forecasting and strong financial management Revenue budget contingency	
Poor forecasting	M	M	Better forecasting in non-service areas where large variances occurred in 16/17 Review and refinement in service areas of risk based predictive models CX/HoF setting out clear expectations	AHoF SFBP's and budget managers CX / HoF

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Strong financial management underpins services and medium term financial planning.

Options Available and considered

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

Preferred Option and Why

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

Comments of Chief Financial Officer

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

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

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

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

Comments of Monitoring Officer

There are no direct legal issues coming from of this report

Comments of Head of People and Business Change

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

Comments of Cabinet Member

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

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

N/A

Children and Families (Wales) Measure

N/A

Wellbeing of Future Generations (Wales) Act 2015

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

Consultation

N/A

Background Papers

Dated:

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

APPENDIX 1 – Revenue Summary Monitor (July 2017)

Summary Revenue Budget						
		Apr-17		Current	Projection	(Under)/Over
	2017/2018	Approved Budget		Budget		
		£'000		£'000	£'000	£'000
PEOPLE						
	Children& Young People	21,027		21,068	22,418	1,350
	Adult & Community Services	41,408		41,070	41,258	188
	Education	14,859		14,878	16,076	1,198
	Schools	90,297		90,297	93,297	3,000
		167,591		167,313	173,049	5,736
PLACE						
	Regeneration, Investment & Housing	9,526		9,194	9,692	498
	Streetscene & City Services	17,465		17,847	18,287	440
		26,991		27,041	27,979	938
CHIEF EXECUTIVE						
	Directorate	557		557	588	31
	Finance	2,719		2,719	2,678	(41)
	People & Business Change	6,232		6,321	6,304	(17)
	Law & Regeneration	6,493		6,524	6,524	-
		16,001		16,121	16,094	(27)
CAPITAL FINANCING COSTS & INTEREST						
	Capital Financing Costs MRP	11,032		9,677	9,549	(128)
	Interest Payable	9,085		9,085	9,085	-
	Interest Receivable	(37)		(37)	(37)	-
	Investment Props	-		-	-	-
	PFI	8,315		8,315	8,315	-
		28,395		27,040	26,912	(128)
	SUB TOTAL - SERVICE/CAPITAL FINANC	238,978		237,515	244,034	6,519
CONTINGENCY PROVISIONS						
	General Contingency	1,473		1,473	1,473	-
	Restructuring / Other Savings	-		-	-	-
	Centralised Insurance Fund	570		570	570	-
	Non Departmental Costs	5		5	5	-
	Other Income & Expenditure	4,489		4,812	4,840	28
		6,537		6,860	6,888	28
LEVIES / OTHER						
	Discontinued Operations - pensions	1,576		1,576	1,512	(64)
	Levies - Drainage Board, Fire service etc	8,207		8,207	8,216	9
	Non distributed grants	-		-	-	-
	CTAX Benefit Rebates	12,073		12,073	10,866	(1,207)
	Extraordinary Items	-		-	-	-
	Charity Rate Relief	-		-	-	-
		21,858		21,858	20,596	(1,262)
TRANSFERS TO/FROM RESERVES						
	Base budget - Planned Transfers to/(from) R	(1,001)		139	139	-
	Earmarked reserves: Queensbury Loan				-	-
	Earmarked reserves: Transfer to/(from) Capital				-	-
	Earmarked reserves: Transfer to/(from) Schools				(3,000)	(3,000)
	Earmarked reserves: Transfer to/(from) Schools Redundancy				-	-
	Invest to Save Reserve				2,066	2,066
	Invest to Save Reserve (from)				(2,066)	(2,066)
		(1,001)		139	(2,861)	(3,000)
TOTAL		266,372		266,372	268,657	2,285
Funded by						
	WAG funding (RSG & NNDR)	(208,250)		(208,250)	(208,250)	-
	Council Tax	(58,122)		(58,122)	(58,122)	-
	Council Tax Surplus				(793)	(793)
TOTAL		-		-	1,492	1,492

APPENDIX 2 – Budget Monitoring Dashboard

Attached:

- Overall Council dashboard

APPENDIX 3 – Delivery of MTRP Savings

Financial Improvement Plan – July

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

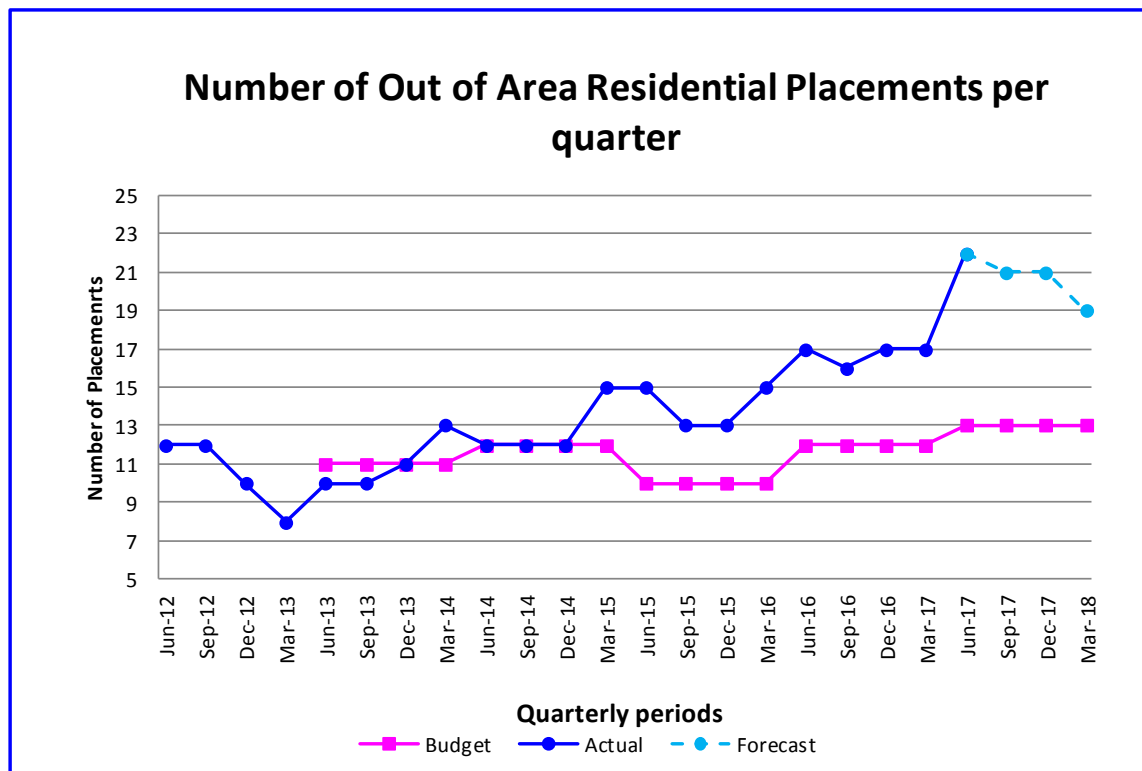
APPENDIX 4 – Planned Movement in Reserves

		Planned movements in year												
Reserve	Balance at 31-Mar-17	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Balance at 31-Mar-18
	£'000													
Council Fund:	(6,500)													(6,500)
Balances held by schools for future use	(4,831)												3,000	(1,831)
Earmarked Reserves:														
Pay Reserve	(1,418)													(1,418)
Music Service	(167)													(167)
Insurance Reserve	(1,706)													(1,706)
MMI Insurance Reserve	(602)												300	(302)
Health & Safety	(16)												16	-
Education Achievement Service	(92)													(92)
Schools Redundancies	(708)				708									-
Friars Walk	(9,985)												3,750	(6,235)
NEW - European Funding I2A & CFW	(79)												79	-
NEW - Metro Bus	(9)												9	-
SUB TOTAL - RISK RESERVES	(14,782)	-	-	-	708	-	-	-	-	-	-	-	4,154	(9,920)
Capital Expenditure	(5,817)												2,200	(3,617)
Invest to Save	(11,050)												2,066	(8,984)
Super Connected Cities	(670)												120	(550)
Landfill (fines reserve)	(345)													(345)
Christmas Lights	(15)												15	-
Usable Capital Receipts	(11,742)												8,000	(3,742)
SUB TOTAL - ENABLING RESERVES	(29,638)	-	-	-	-	-	-	-	-	-	-	-	12,401	(17,237)
STEP School Computers	(473)												100	(373)
Municipal Elections	(154)												100	(54)
Local Development Plan	(572)												(61)	(633)
Glan Usk PFI	(1,499)													(1,499)
Southern Distributor Road PFI	(44,515)												212	(44,303)
SUB TOTAL - SMOOTHING RESERVES	(47,214)	-	-	-	-	-	-	-	-	-	-	-	351	(46,863)

Works of art	(21)													(21)
School Works	(545)													(545)
Theatre & Arts Centre	(232)													(232)
Cymorth Income	(33)												33	-
Pupil Referral Unit	(60)													(60)
Gypsy and Traveller Site	(7)												7	-
Homelessness Prevention	(38)												38	-
Environmental Health - Improve Air Quality	(49)												49	-
Refurbishment of a Children / Older People Homes	(102)												102	-
ECDL Training Package - Change to Apprenticeship Scheme	(80)												34	(46)
City Deal Reserve - Rename - City Economic Development Re	(90)												45	(45)
Welsh Language Standards	(240)												60	(180)
YS Dilapidation Costs Information Shop	(51)												51	-
NEW - School Reserve Other	(1,100)												1,100	-
NEW - Port Health	(3)												3	-
NEW - CRM	(21)						21							-
NEW - WCCIS	(54)								54					-
NEW - Investment Reserve	(1,500)				1,500									-
NEW - 2018 Events	-												(100)	(100)
SUB TOTAL - OTHER RESERVES	(4,226)	-	-	-	-	1,500	21	-	54	-	-	-	1,422	(1,229)
RESERVES TOTAL	(107,190)	-	-	-	708	1,500	21	-	54	-	-	-	21,328	(83,579)
											% reduction in year			22%

**Children Services
Risk Area Monitoring 2017-18
July 2017**

Out of Authority Residential Placements



	£
17 / 18 Budget	£1,992,542
Forecast Out-turn	£3,937,513
Variance	£1,944,971

The budget for 17/18 was set based on the average package costs for the first 6 months of 16/17 and allowed for 16 placements at an average net cost of £2,500. This also reflected a trend over the past three years. The final average weekly cost of a placement for 16-17 was £2,900 so the 17-18 budget can now only afford 13 placements at this average.

The service has requested an £800k pressure in the 18/19 MTFP which is still believed to be sufficient based on the known age profiles.

The service currently has 22 placements, one of which is costed at £7,292 per week.

The June forecast assumed a reduction in numbers towards the end of the year. Due to further anticipated changes this has now been removed and replaced by a provision for another two placements as there is a risk that additional children may need to be placed.

Due to various reasons with significant consequences, there has been an increase in the pressure put on this area.

Out of authority residential placements are always a last resort and for the majority of children occur when all other options have been tried and failed. Children are considered for in house fostering

placements then for independent fostering agency placement (IFA), then in house residential and only then are out of county residential placements (OOC) considered. IFA and OOCs placements can only be sought with the permission of HoS and placements are only agreed with the oversight of contracts and the final sign off by the HoS. All OOC placements are also considered by the multi-agency complex needs panel to ensure health and education needs and costs are being met.

The children in these placements fall into three distinct groups

- Children with multiple disabilities e.g. learning disability, life limiting illnesses, autism, medical conditions and physical disabilities
- Children with risky and/or challenging behaviours, risk of child sexual exploitation, substance misuse, frequent missing episodes, sexually harmful behaviours to other children and/or adults, physically violent behaviours
- Court ordered mother and baby assessments

The majority of the children are subject to Section 31 Care Orders and have been removed from the care of their parents because of abuse and continued risk of the likelihood of significant harm. The LA is responsible for their care and in effect has become the parent. The exception to this is some of the disabled children cared for under Section 76 of the Social Services and Well Being Act where parental responsibility is still shared with parents. This group of disabled children will inevitably become adults who are eligible for continuing health care and will never live independent lives.

The group of children, regardless of legal status, currently in OOC are all tracked on a weekly basis. All are monitored both with the Independent Reviewing Officers statutory reviews and the contracts monitoring carried out by commissioning. All are discussed at the Brighter Futures panel.

The trajectory of the number of children in OOC is historically difficult to forecast. In 2014/15 Peopletoo oversaw a project to analyse the population in OOC and the processes that led to placement. They also considered options for negotiating lower contract prices and options for children to return to Newport or move to less costly placements. The project benchmarked against both Welsh and English LAs and considered the commissioning environment. The conclusions at that time were that all options had been fully considered, contracts had been negotiated and processes were robust. Peopletoo attended some contract negotiation meetings but were unable to secure lower prices. Alternatives costed in 2014/15 were found to be as expensive because of the diverse needs of the children.

Children's Services have over the past year managed a shift with one of the in house residential units and successfully navigated a stable period of a year for four girls who were all demonstrating behaviours and repeated placement breakdowns which are the common precursors to OOC. Children's Services have costed options to consider small units locally to return children in small matching groups. Under current regulation such a unit has to be established as a standalone children's residential unit and the minimum staffing costs for a two placement unit are £328K. This is the social care element and does not include education. There is current lobbying of Welsh Government and CSSIW to shift away from standalone units to a hub and spoke model to bring down management costs but this will require regulation change. The internal work in NCC to work towards this option is ongoing.

Children's Services has a monthly critical placements meeting to assess children reaching breaking point in other placements and to build in measures to support and strengthen placements. The key emphasis is doing all possible to both avoid future placements and wherever possible return children to less costly placements. Sourcing alternatives is challenging particularly as across the UK the number of foster carers is decreasing and the market for children's placements is a providers market. The cost of placements has escalated over the past two years to the point as cited in the July monitor where £16,000 per week has recently been agreed by one Welsh LA following a court ordering the placement to go ahead.

Supplementary Paper for Cabinet Briefing: Education – Out of County (OOC) Expenditure 2017/18

Summary

- SEN budget provision was c£3m and overspent by c£300k in 2016/17. No budget provision to increase budget was made for 2017/18 as this area is inherently 'fluid' in terms of numbers and level of support needed. There were a significant numbers of users due to stop utilising the service, value wise, July 2017 too.
- A number of new, very high cost placements have been approved since April, with most of them starting their out of area placements from September 2017. This has resulted in a significant increase in costs and is forecasted to be c£1.3m overspent in the current year 2017/18.
- The likelihood of an overspend was forecasted and flagged up in financial monitoring in June 2017 @£500k and following a review of the underlying data used to monitor costs here, has now been increased to c£1.3m in July financial monitoring
- Newport does not have its own suitable provision to meet the identified pupils Additional Learning Needs (ALN) and as per the LA's legal duty, suitable placement had been commissioned out of area. This is documented within both formal SEN Panel and Complex Needs Panel minutes, as appropriate, and has received the appropriate 'sign-off' by Head of Service.

Overview

The number of pupils being placed OOC has reduced since 2016-17 (173 pupils to 144 this year). An assumption could be made that OOC placement costs should (in total) also be reduced. This is not the case. Many pupils have returned to Newport or avoided going OOC due to the opening of the new ASD School. The opening of this facility has indeed made a 'saving'. However the need for SEBD places or other high end needs has increased. High end needs are expensive to resource as demonstrated below.

The following table has been drawn together to demonstrate the average cost of OOC placements by OOC placement type.

Breakdown of Need

Category of Need	Number of Placements	Estimated Cost 2017/18	Other LA Mainstream Placements - Average Cost 2017/18	Other LA Specialist Placements - Average Cost 2017/18	Independent Placements – Average Cost 2017/18	MISC Placements – Average Cost 2017/18
Social Emotional Behavioural Difficulties (SEBD)	67	£2,155,144	£10,474 (10 placements)	£25,590 (9 placements)	£42,536 (42 placements)	£3,595 (6 placements)
Autistic Spectrum Disorder (ASD)	37	£1,446,090	£12,397 (3 placements)	£24,671 (16 placements)	£56,342 (18 placements)	N/A

Hearing Impaired (HI)	16	£304,393	£28,074 (1 placement)	£19,115 (14 placements)	£8704 (1 placement)	N/A
Speech Language Communication Difficulties (SLCD)	1	£178,710	£10,871	N/A	£70,000 (1 placement)	N/A
Profound Multiple Learning Difficulties (PMLD)	8	£347,941	N/A	£28,587 (2 placements)	£48,461 (6 placements)	N/A
Moderate Learning Difficulties (MLD)	6	£72,199	£10,818 (4 placements)	£14,463 (2 placements)	N/A	N/A
Specific Learning Difficulties (SpLD)	1	£3,360	£3360 (1 placement)	N/A	N/A	N/A
Visual Impaired (VI)	2	£69,399 (2 placements)	N/A	N/A	£34,699	N/A

Recoupment Risks:

Page 248 Newport LA will re-coup approximately £355k at the end of the financial year 2017/18 from other LA's due to their pupils attending Newport provision. This is however subject to confirmation of all pupils continued placement at the Newport Schools, which we will be unable to quantify with accuracy until schools return on 01.09.2017. Please note however that this is subject to change especially in relation to LAC from other LA's who do not necessarily remain for full financial year. It must also be noted that the re-coupment decreases year on year as Newport LA are no longer able to 'sell' specialist placement due to the lack of capacity at each provision. Please note that the current projected recoupment as per the budget set by finance is approximately £500 k. This is an historic figure which has not been appropriately adjusted to take into account that revenue will only be a maximum of £355 k in the financial year 2017/18. This is therefore a further projected deficit of a minimum of £150 k for this financial period. It has been explained previously by Education Finance that this would not be adjusted as this forms part of the overall calculation of budget for Education. Concerns have been noted previously by the SEN Manager and Assistant Head of Education (Inclusion) that this is placed the SEN Team in a deficit position as the beginning of each financial year

Next Steps:

Cost Savings: In an aim to reduce this overspend position, the SEN Team and Assistant Head of Education (Inclusion) have reviewed all proposed September 2017 placements to ascertain if any could be prevented from commencing their OOC placements. Please note that this had already been explored by the SEN and Complex Needs Panel respectively prior to a decision being made to consult with OOC providers. It was the determination of all professionals who contribute to these Panels' that there were no appropriate placements within Newport to meet the required pupils ALN as per their legal Statement of SEN.

Despite this, alternative provision is being sought within county for these pupils. It requires formal noting that this is not felt to be in the pupils best interest nor in the interest of pupils currently placed at provision in Newport, whose access to appropriate education will be adversely affected by this decision. The related risk to this is that the LA could find themselves in a position of making more OOC placements if the 'returning' pupils were to adversely influence the currently placed pupils, which could result in a higher number of placements breaking down.

A list of pupils who present the lowest risks in returning to Newport has been drawn up. The SEN Team and Assistant Head of Inclusion will meet with each family to discuss an alternative, Newport based provision. Parental agreement must be given or Newport City Council will be at risk of SEN Tribunal.

With parental agreement, it is anticipated that an approximate saving of £163k could be achieved, although the target figure is £318,038.

Additional Monitoring:

- The SEN budget will continue be a subject to detailed 'risk monitoring' with Finance Business Partners. However the process will be revised and improved.

- Additional support is being provided by finance colleagues to ensure that OOC placement recording is fit for purpose.
- Additional monitoring meetings will take place with the Interim Head of Service to ensure that all pupils at risk of being educated OOC are anticipated and recorded as a potential and additional cost pressure.

Improving Forecasting:

- The Business Improvement Team is developing a report on 'Out of County' placement trends. This will be used to support financial forecasting.
- The SEN Manager and Assistant Head of Inclusion are completing an analysis of 2018/19 OOC placements to support budget preparation and avoid unnecessary overspends. This information will potentially inform the MTFP.

An interim project board is currently being designed to develop a strategic OOC placement plan for the next 5 years. This will consider how SEN provision within the city needs to change in order to manage pupils more effectively, reduce forecast costs and improve value for money.

S.Morgan : Interim Head of Education 23/8/17

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Budget Monitoring Position – July 2017

Newport City Council

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

Analysis of Variances by Directorate:

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

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

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

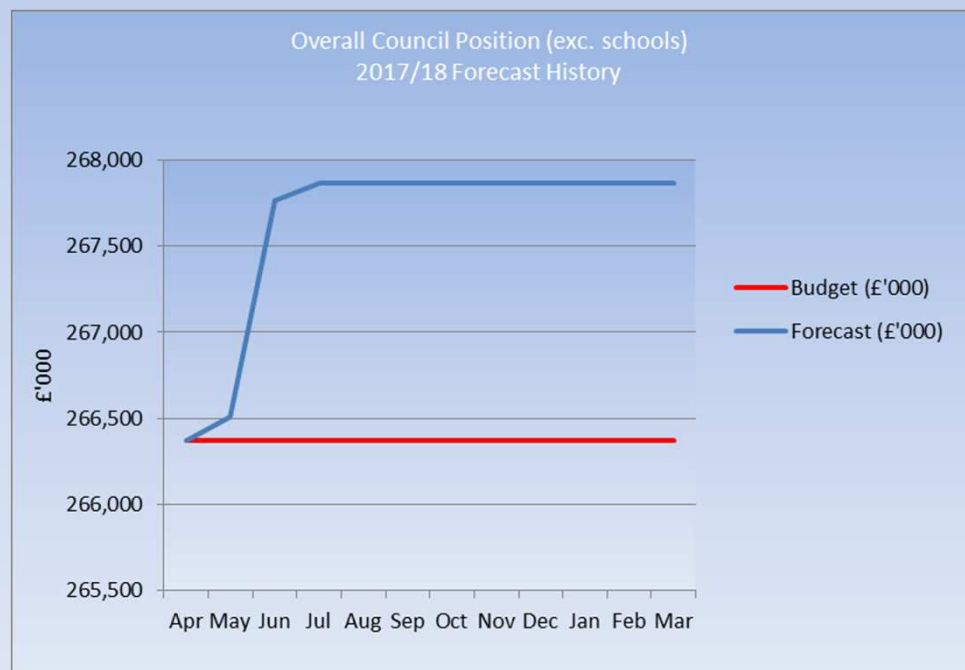
Budget Monitoring Position – July 2017

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Analysis of Variances Non Service Areas:

CAPITAL FINANCING & INTEREST NET	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	28,395	27,195	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040	27,040
Forecast (£'000)	28,395	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912	26,912
Variance (£'000)	0	(283)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)	(128)

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



Budget Monitoring Position – July 2017

Newport City Council

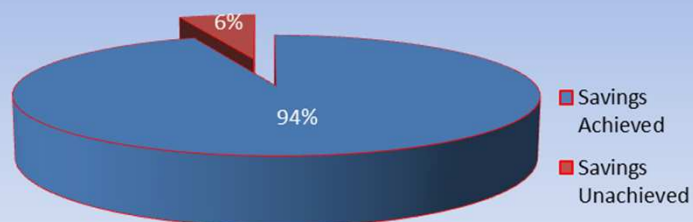
Key Elements of Budget Variances:

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

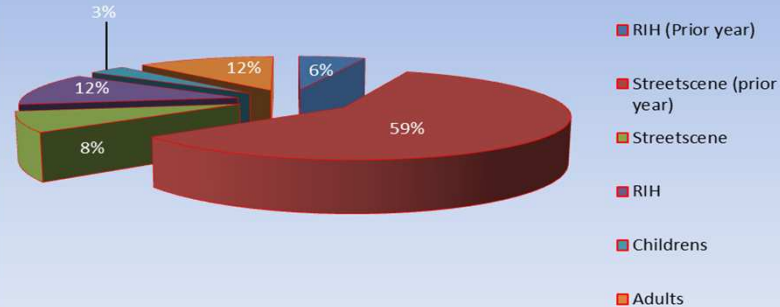
OVERALL DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575	5,575
Savings Realised (cumulative) (£'000)	5,395	5,395	5,167	5,254	5,257	5,257	5,257	5,257	5,257	5,257	5,257	5,257
Variance (£'000)	180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

* Undelivered savings from previous years relate to Place portfolio

Delivery of 2017/18 MTRP Savings



Analysis of Undelivered Savings - 2017/18 and Prior Years



Budget Monitoring Position – July 2017

Newport City Council

Other key budget variances:

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

Education – Special Educational Needs - £1,247k

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

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

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

Schools

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

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

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

Budget Monitoring Position – July 2017

Children & Young People

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	21,068	21,068	21,068	21,068	21,068	21,068	21,068	21,068	21,068	21,068	21,068	21,068
Forecast (£'000)	21,068	22,106	22,531	22,418	22,418	22,418	22,418	22,418	22,418	22,418	22,418	22,418
Variance (£'000)	0	1,038	1,463	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	10,413	10,413	10,464	10,311	10,311	10,311	10,311	10,311	10,311	10,311	10,311	10,311
Forecast (£'000)	10,413	10,199	10,200	9,934	9,934	9,934	9,934	9,934	9,934	9,934	9,934	9,934
Variance (£'000)	0	-214	-264	-377	-377	-377	-377	-377	-377	-377	-377	-377

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	930	930	930	930	930	930	930	930	930	930	930	930
Forecast Savings (£'000)	930	930	900	900	900	900	900	900	900	900	900	900
Variance (£'000)	0	0	30	30	30	30	30	30	30	30	30	30
FIP Reconciliation period	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

Budget Monitoring Position – July 2017








Children & Young People

AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Out of Area Residential Placements	1,993	3,938	1,945	R	Budget can afford 16 placements at an average net cost of £2.5k (which is what the average 16/17 numbers and averages were). The service currently has 22 placements, one of which is at a cost of £6k per week. Last months forecast assumed a reduction in numbers towards the end of the year, this has now been removed and replaced by a provision for another two placements as there is a risk that 2 children may need to be placed. The service has requested an £800k pressure in the 18/19 MTFP which is still believed to be sufficient based on the age profiles.
LAC Remand	0	68	68	R	Grant of £98.3k from Youth Justice Board (YJB) but grant award based on cases from previous years. Current circumstances indicate that this may be insufficient this year but awaiting court dates for cases and dependent on length of remand cases

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Out of Area Residential Placements		1,162	1,612	1,945								
Independent Fostering Agencies		-12	136	19								
In-House Fostering			-107	-144								
C & F Staffing underspends due to vacancies		-214	-264	-377								
Preventions - Team around the cluster withdrawal		49	22	-135								
Inter agency adoption		0	0	70								
IFST				-26								
LAC Remand		0	16	68								
Other various C & F overspends		53	49	-69								
Variance (£'000)	0	1,038	1,463	1,350	0	0	0	0	0	0	0	0

Budget Monitoring Position – July 2017

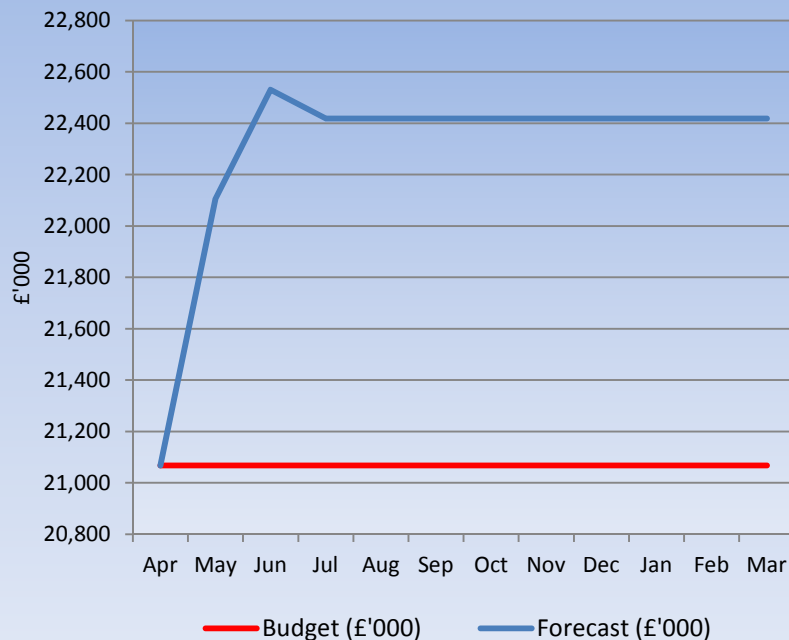
Children & Young People

Movement since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	Out of Authority Residential - The forecast has increased significantly since the budget was set as placements have increased beyond forecasted numbers. The service are taking actions to reduce this as much as possible but reviewing placements and where appropriate bringing children back to in-house provision. The budget pressure of £800k in the 18/9 MTRP is still sufficient based on the age profiles of the current placements. All new placements have been made in very exceptional circumstances and could not have been predicted as part of the normal trend. The current forecast does include a provision for a further 2 placements.
	Inter agency adoption – This is forecasting an overspend of £70k based on the increased number of adoptions
	In-House Fostering – The numbers of in-house fostering placements are currently lower than what the budget can afford thus resulting in an underspend. The service area have put in actions to address this and have launched a marketing campaign to increase the number of carers. They have specifically targeted carers for teenagers in an attempt to reduce the need to place with the fostering agencies.
	Preventions – Now that Welsh Government (WG) have provided the value of the consequential Edge of Care grant, this has now been built in to offset expenditure that was being incurred in readiness to expand the family support service. This is now resulting in a forecasted underspend of £135k in this financial year.
	Staffing - These budgets underspent significantly in 16/17 and are forecast to underspend by £377k in this financial year. This significant saving compared to last month relates to the consequential funding from WG that is offsetting existing staff costs (incurred in readiness to achieve the additionalities required in the terms and conditions of the grant).
	Looked After Children (LAC) Remand – The grant of £98.3k from YJB is unlikely to be sufficient for the numbers of children placed on remand this financial year. Forecasts anticipate a shortfall of £68k based on current known cases.
	Independent Fostering Agencies – This forecasted overspend is a result of 2 extra placements in June and an extra 3 in July. The budget can afford 36 placements but current numbers are currently at 39 at June rising to 42 in July.

Budget Monitoring Position – July 2017

Children & Young People

Children & Young People
2017/18 Forecast History



Head of Service Commentary

Key Budget Variances

The main area of concern is around external residential placements forecasted overspend of £1.9m for 21 placements – *July 2017*.

There are currently regional and national groups in place to address the placements position across Wales. There is recognition regionally and nationally that in terms of cost, availability and quality the current position is unsustainable. The market is driven by the providers. Two neighbouring LAs have recently taken up placements for single children costing respectively £16,500 and £14,000 per week. The most expensive placement in use for a single Newport child is £7,292 per week.

Non Delivery of MTRP Savings

Only £30k shortfall currently so work will be done to mitigate by over achieving on other projects.

BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

62%

Budget Monitoring Position – July 2017

Children & Young People

Head of Service Commentary

Head of Service comments:

The key element of the forecasted overspend is once again as with the out turn for 16/17 Out Of Area (OOA) residential placements. This forecast has increased since last month due to a contingent liability for a further 2 placements. There is a proposed pressure for 2018/19 of £800K which would address the running issue of the overspend in this area of the budget. As noted above this overspend is under constant scrutiny and all staff are fully cognisant with the risks. We interrogate this area and apply the level of rigour required at every stage leading to such placements. Given the legal status and nature of need of this group of children there is no option to run any sort of waiting list or delay placement. All children are reviewed at senior manager and HoS level and options reassessed as to possible alternatives and/or return. All contracts with providers are negotiated with the contracts team

Taking all steps to prevent OOA placements and ensure when they do occur, they are for the shortest time possible is a mantra throughout Children Services. Placements are only made and allowed to continue when there is absolutely no choice.

Strategic Director Commentary

Strategic Director comments:

Strategic Director on annual leave.

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Budget Monitoring Position – July 2017

Adult & Community Services

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	41,070	41,070	41,070	41,070	41,070	41,070	41,070	41,070	41,070	41,070	41,070	41,070
Forecast (£'000)	41,070	41,413	41,411	41,258	41,258	41,258	41,258	41,258	41,258	41,258	41,258	41,258
Variance (£'000)	0	343	342	188	188	188	188	188	188	188	188	188

Key Elements of Budget Variances:

STAFFING	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	11,343	11,343	11,297	11,297	11,297	11,297	11,297	11,297	11,297	11,297	11,297	11,297
Forecast (£'000)	11,343	11,195	11,144	11,145	11,145	11,145	11,145	11,145	11,145	11,145	11,145	11,145
Variance (£'000)	0	-148	-154	-152	-152	-152	-152	-152	-152	-152	-152	-152

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504	1,504
Forecast Savings (£'000)	1,504	1,504	1,309	1,396	1,396	1,396	1,396	1,396	1,396	1,396	1,396	1,396
Variance (£'000)	0	0	195	108	108	108	108	108	108	108	108	108
FIP Reconciliation period	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR

Budget Monitoring Position – July 2017






Adult & Community Services

AREA OF RISK	Budget £000	Forecast £000	Variance £000	Status	Comments
Community Care	28,726	29,046	320	R	Current overspend of £320k is being reduced by a one year benefit of the £455k Welsh Government (WG) workforce grant. Therefore true pressure in this area is £775k. The forecast has reduced by £132k since last month which is mainly due to the £151k WG respite care grant that is offsetting the pressure caused by the respite care charging cap. Overall client numbers decreased by 6 since last month. Large risk in this area is the ability to permanently reduce packages of care. Many of the MTRP savings in this year and previous years is focussed on package reductions. By nature these are medium term savings rather than permanent. Clients inevitably grow older and more frail and therefore reduced packages will eventually increase as they need more support.

SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Community Care		472	452	320								
In House Residential Income		165	168	171								
Frailty		-45	-38	-38								
Adult Services Staffing underspends		-148	-154	-152								
Centrica Lodge - needed for reprovision so will be vired to Comm Care		-76	-1	-1								
GWICES				-25								
Adult Services Contracts		-22	-22	-22								
Other Adult Services		-3	-63	-64								
Variance (£'000)	0	343	342	189	0	0	0	0	0	0	0	0

Budget Monitoring Position – July 2017

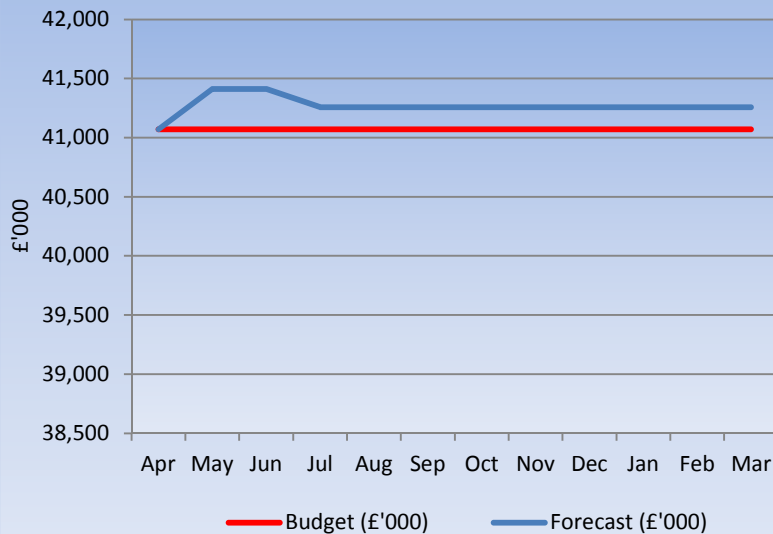
Adult & Community Services

Change since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	<p>The gross overspend of £775k (£320k overspend excluding the one off benefit of the £455k consequential funding) on the community care budget is mainly due to the following:</p> <ul style="list-style-type: none"> £551k due to increased client numbers over and above that assumed for the trend in demographic growth (10 clients more) plus an increased average package cost on residential care due to increasing complexities mainly in the Learning Disability (LD) Supported living category. Client numbers have increased by 41 since March 17 whereas estimated numbers during the budget setting process were lower. The average cost of a residential package is now £860 compared to £826 this time last year. The Supported living numbers and averages will be split out next month to provide a clearer view of any issues. £41k pressure where the service is paying an external provider a higher weekly amount than that agreed as part of the fees and charges £183k reduction in the number of CHC cases due to challenges and regular reviews from Health
	<p>In House Residential Income £171k o/spend - There is a pressure on this budget due to deaths, reassessments, refunds and Out Of Area (OOA) residents moving back to establishments in their original authorities. These issues arose after the 17/18 MTRP setting process.</p>
	<p>Frailty £38k u/spend – current forecasted underspend on the pooled budget arising from a combination of staff turnover.</p>
	<p>Staffing budgets £152k underspend – Despite a large underspend on staffing budgets, there is an issue with regards to the overspends on agency (total forecasted agency spend £214k). Some agency staff are being paid for more hours than the vacant post they're covering and more than that approved on the business case which needs to be addressed.</p>
	<p>Gwent Wide Integrated Community Equipment Service (GWICES) - There is a moderate underspend of £25k expected on the pooled contribution towards the Gwent Community Equipment in this financial year. This information is received from the Lead Commissioner TCBC.</p>

Budget Monitoring Position – July 2017

Adult & Community Services

Adult & Community Services
2017/18 Forecast History



BMS Submission Data

% of cost centres submitted by budget holder deadline

%

53%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

The community care budget remains the main issue in adult services. Numbers have reduced compared to last month and a large saving has been achieved through more robust Continuing Health Care (CHC) guidance and support to staff. Actions being taken to manage this overspend downwards are strengthening of the Equalities & Commissioning (ECO) process to cover all service areas including the hospital teams and addressing the CHC funding reduction.

Non Delivery of MTRP Savings

The Supporting People target has been brought forward and increased from £300k to £450k. This has been flagged as a risk as it will be a challenge to deliver on top of the considerable savings already achieved in the service area. Full achievement is assumed in the forecast at this early stage in the year.

Budget Monitoring Position – July 2017

Adult & Community Services

Head of Service Commentary

Head of Service comments/ summary:

The projected over spend on the community care is currently £320k which is a slight reduction on the previous month and illustrates the work that is happening to manage the demands on the service and find the most cost effective solutions. We are proactively challenging more Continuing Health Care (CHC) decisions and have produced robust guidance to support staff in this area, however the provider market remains volatile as 4 domiciliary care providers have exited in the last year which drives up costs.

Strategic Director Commentary

Strategic Director Comments:

None received as SD on annual leave

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Budget Monitoring Position – July 2017

Education

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	14,878	14,878	14,878	14,878	14,878	14,878	14,878	14,878	14,878	14,878	14,878	14,878
Forecast (£'000)	14,878	14,878	15,449	16,076	16,076	16,076	16,076	16,076	16,076	16,076	16,076	16,076
Variance (£'000)	0	0	571	1,198	1,198	1,198	1,198	1,198	1,198	1,198	1,198	1,198

Key Elements of Budget Variances:

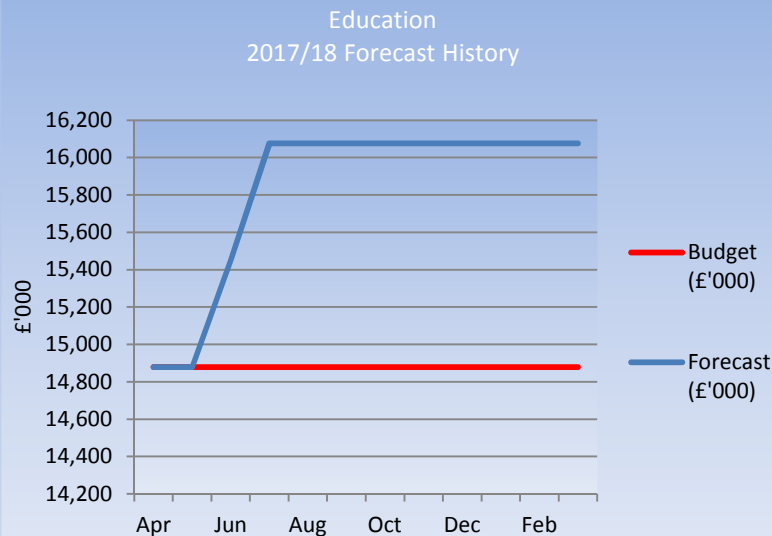
STAFFING	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	6,246	6,246	6,246	6,246	6,246	6,246	6,246	6,246	6,246	6,246	6,246	6,246
Forecast (£'000)	6,246	6,246	6,295	6,104	6,104	6,104	6,104	6,104	6,104	6,104	6,104	6,104
Variance (£'000)	0	0	49	-142	-142	-142	-142	-142	-142	-142	-142	-142

DELIVERY OF MTRP SAVINGS	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
MTRP Target (£'000)	395	395	395	395								
Savings Realised cumulative (£'000)	395	395	395	395								
Variance (£'000)	0	0	0	0								
FIP Reconciliation period		MAY	JUN	JUL								

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
Special Educational Needs (SEN) (Independents & LA)	3,446	4,507	1,061	R	Additional OOC placements.

Budget Monitoring Position – July 2017

Education



Head of Service Commentary

Key Budget Variances/Issues for HOS to consider.

- SEN: Additional SEN Pressure (Increase of £561k) total £1.1 million overspend.
- Out of County (OOC) Placements have reduced from 173 in 2016-17 to 144 to date (financial year 2017-18), however the type of pupils requiring OOC placements are 'high end' resulting in higher costs per place.
- A review of OOC placements has taken place to attempt to recoup £300K however £163k seems largely possible.
- A service area spending freeze is in place to attempt to recoup as many costs as possible.

BMS Submission Data

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

%

79%

Budget Monitoring Position – July 2017

Education

OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Bridge Achievement Centre - schools income	0	0	60	60								
Early Years & Conclusion of Nursery Reorganisation			-36	-36								
Bridge Achievement Centre - NNDR	0	0	0	-9								
SEN Equipment & Resources	0	0	0	5								
SEN Recoupment	0	0	0	138								
SEN Local Provision Development	0	0	0	43								
Catering Overall	0	0	0	22								
Other	0	0	0	36								
Total			24	259								

Current & Emerging Risks / Opportunities

(Including non delivery of MTRP savings)



Redundancy – The current position is the budget is on line with transfer from reserves up to full value at the current time, this may reduce with the use of invest to save funds from MTRP saving proposals.



SEN – OOC Placements' forecast is demand led and projections may change monthly. Although these placements are small in terms of numbers, the financial costs associated are significant.

Budget Monitoring Position – July 2017

Education

Head of Service Commentary

Head of Service comments/ summary:

Due to a significant number of OOC places being required over summer term, there has been vast increase in forecast overspend. A data analysis shows that the total number of OOC places has reduced from 2016-17 (173 places) to 2017-18 (144 places), however the additional OOC placements are for 'high end' needs which are very costly. The average cost of an independent placement for a high end need is £50k per pupil per year. SEN OOC placements were £500k overspent at the beginning of the financial year. This month shows a further £561k addition resulting in a £1.1 million total overspend to date. This is a mid-year position and additional places granted (under the local authorities legal duties) would further expand this overspend. Due to the significant overspend, Education Services are taking the following steps to reduce and prevent further overspend:

Next Steps:

1. OOC placements are linked to specialist provision, expertise and therapies. Due to the need to achieve a balanced budget; a review of OOC placements has taken place to find out if more cost effective provision can be found. A list of pupils who present the lowest risks in returning to Newport has been determined. The SEN Manager and Head of Inclusion will meet with all associated parents to discuss this alternative provision. Parental agreement is essential or the LA will be at risk of SEN Tribunal. To date £300k worth of potential savings have been earmarked however at this point at £163K is largely possible. If parents agree and alternative placements are not successful, pupils will need to return to their current higher cost provision.
2. The Head of Inclusion will make the final decision on all OOC placements.
3. A spending freeze throughout the service area will support the prevention of further overspend.

Strategic Director Commentary

Strategic Director comments:

SD on Annual Leave

Budget Monitoring Position – July 2017

Schools

OVERALL NET POSITION	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Budget (£'000)	90,297	90,297	90,297	90,297	90,297	90,297	90,297	90,297	90,297	90,297	90,297	90,297
Forecast (£'000)	90,297	90,297	93,297	93,297	93,297	93,297	93,297	93,297	93,297	93,297	93,297	93,297
Variance (£'000)	0	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000

Key Elements of Budget Variances:


SCHOOL BALANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Balances b/f (£'000)	4,831	4,831	4,831	4,831	4,831	4,831	4,831	4,831	4,831	4,831	4,831	4,831
In-year deficit (£'000)	0	0	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Balances c/f (£'000)	4,831	4,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831	1,831

AREAS OF RISK	Budget	Forecast	Variance	Status	Comment
	£'000	£'000	£'000		
Schools	90,297	93,297	3,000	Red	The monitoring position is based on 2017/18 schools' budgets as approved by Governing Bodies subsequently adjusted for estimated additional grant income and recoveries through the Insurance Fund

Budget Monitoring Position – July 2017

Schools projecting year-end deficits

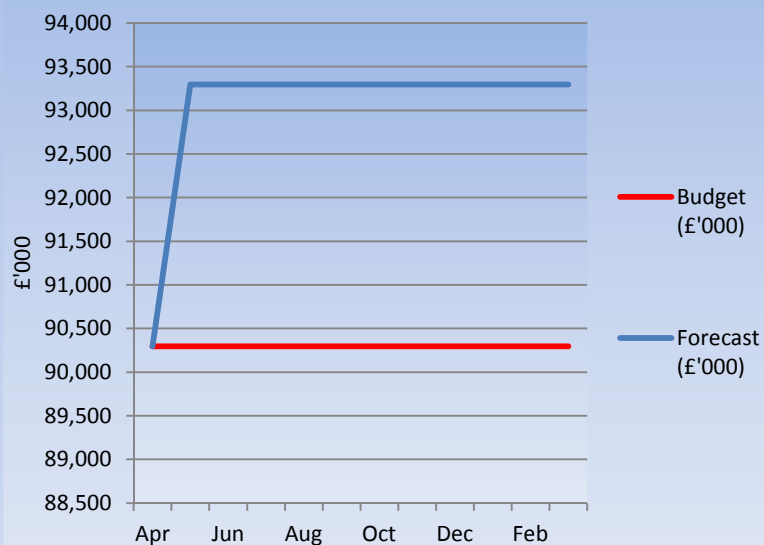
OTHER SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Lliswerry High School				-273								
The John Frost School				-140								
Caerleon Comprehensive				-102								
Newport High School				-173								
Maes Ebbw Special School				-177								
St Woolos Primary School				-30								
Kimberley Nursery School				-17								
Total												

Change since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
	<p>The overall in-year deficit of £3m is after taking redundancies totalling £1.5m into account. This has reduced the specific redundancy reserve close to zero. The projected balances at 31 March 2018 are £1.831 which is down to 2% of funding. 7 schools have licensed deficits and this figure is estimated to increase to 35 schools in 2018/19 and an overall negative position on schools' balances.</p>

Budget Monitoring Position – July 2017

Schools

Schools
2017/18 Forecast History



BMS Submission Data

%

% of cost centres submitted by
budget holder deadline

100

Head of Service Commentary

Key Budget Variances/Issues for HOS to consider.

Budget Monitoring Position – July 2017

Schools

Head of Service Commentary

Head of Service comments / summary:

The net school's overspend of £3m includes around £1.5m of redundancy costs otherwise the variance in school balances reflects our previous monitor reports in the financial year 2016/17.

Strategic Director Commentary

Strategic Director comments:

SD on annual leave.

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

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

Key Elements of Budget Variances:

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

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

Budget Monitoring Position – July 2017





Regeneration, Investment & Housing

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

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




Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

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

Budget Monitoring Position – July 2017

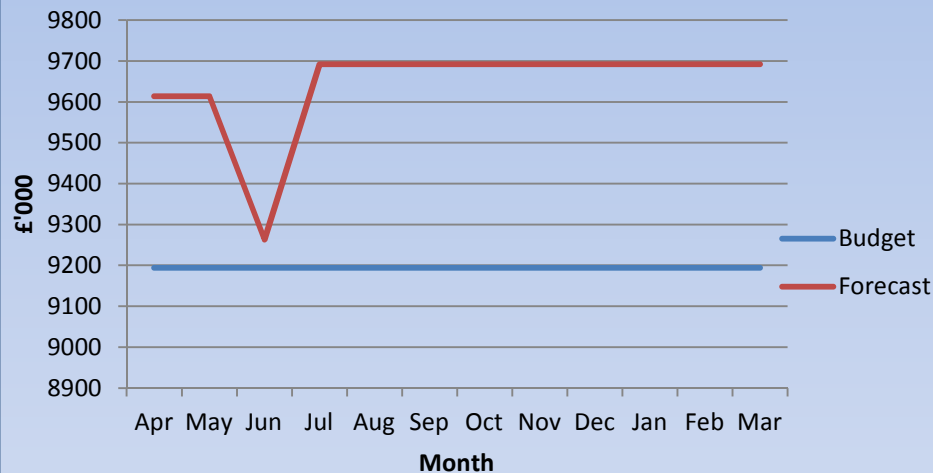
Regeneration, Investment & Housing

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

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

Regeneration, Investment & Housing 2017/18 Forecast History



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

98

Head of Service Commentary

Management actions to address position:

Key Budget Variances

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

£360k – Norse Pension Strain

£160k – Profit share

£15k – Underachieved Market Income

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

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

(£30k) – Reduction in Carbon

Mitigation to those pressures

200k underspends mitigating the above pressures

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

Review of capital maintenance budget spend

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

Non Delivery of MTRP Savings

As per profile

Budget Monitoring Position – July 2017

Regeneration, Investment & Housing

Head of Service Commentary

Head of Service comments/ summary:

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

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

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

Strategic Director Commentary

Strategic Director comments:

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

Budget Monitoring Position – July 2017

Streetscene & City Services

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

Key Elements of Budget Variances:

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

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

Budget Monitoring Position – July 2017





Streetscene & City Services

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

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

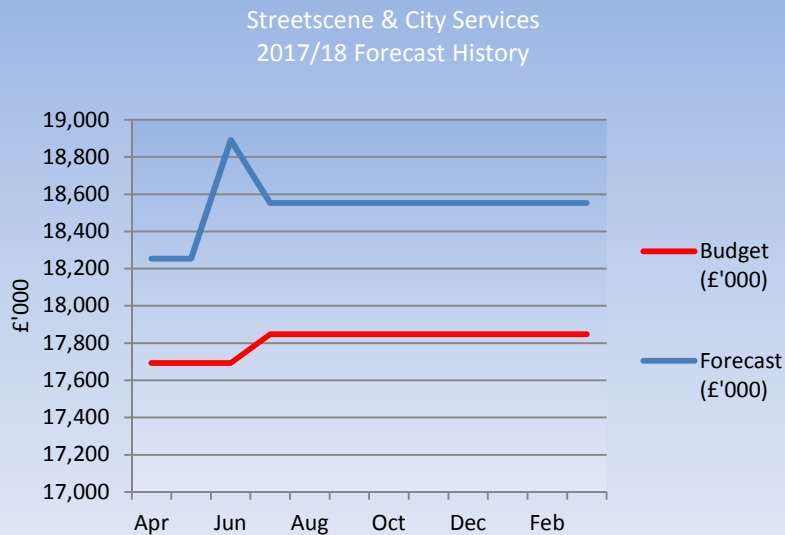
Budget Monitoring Position – July 2017

Streetscene & City Services

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

Budget Monitoring Position – July 2017

Streetscene & City Services



Head of Service Commentary

Management actions to address position:

Key Budget Variances

A freeze on discretionary spend remains in place, which has been forecast for the year as such there is a significant improvement from the previous month. However the remains high demand as a result of poor baseline information.

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

Non Delivery of MTRP Savings

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

BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

82

Budget Monitoring Position – July 2017

Streetscene & City Services

Head of Service Commentary

Head of Service comments/ summary:

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

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

Strategic Director Commentary

Strategic Director comments:

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

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Budget Monitoring Position – July 2017

Directorate

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

Key Elements of Budget Variances:

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

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

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

Budget Monitoring Position – July 2017

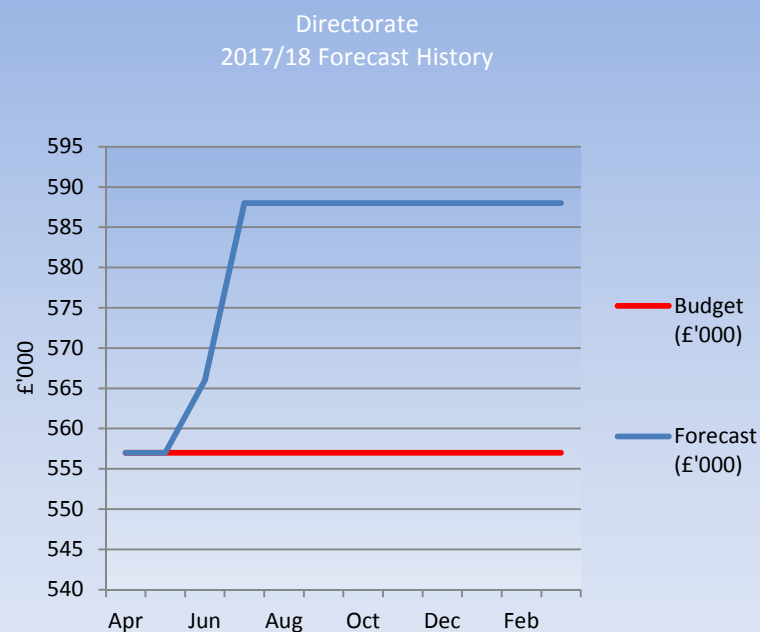
Directorate

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

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

Budget Monitoring Position – July 2017

Directorate



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

100

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- None to report

Non Delivery of MTRP Savings

- None to report

Budget Monitoring Position – July 2017

Directorate

Head of Service Commentary

Head of Service comments/ summary:

Strategic Director Commentary

Strategic Director comments:

Budget Monitoring Position – July 2017

Finance

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

Key Elements of Budget Variances:

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


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

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

Budget Monitoring Position – July 2017

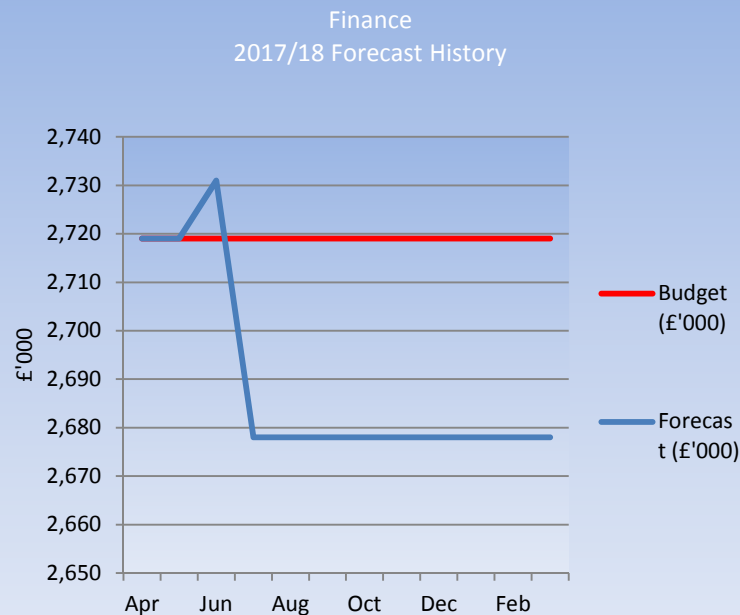
Finance

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

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

Budget Monitoring Position – July 2017

Finance



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

40%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

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

Areas of underspending include:

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

Areas of overspending include:

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

Non Delivery of MTRP Savings

on target to be delivered.

Budget Monitoring Position – July 2017

Finance

Head of Service Commentary

Head of Service comments/ summary:

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

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

Strategic Director Commentary

Strategic Director comments:

Budget Monitoring Position – July 2017

Law & Regulation

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

Key Elements of Budget Variances:

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

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

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



Budget Monitoring Position – July 2017

Law & Regulation

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

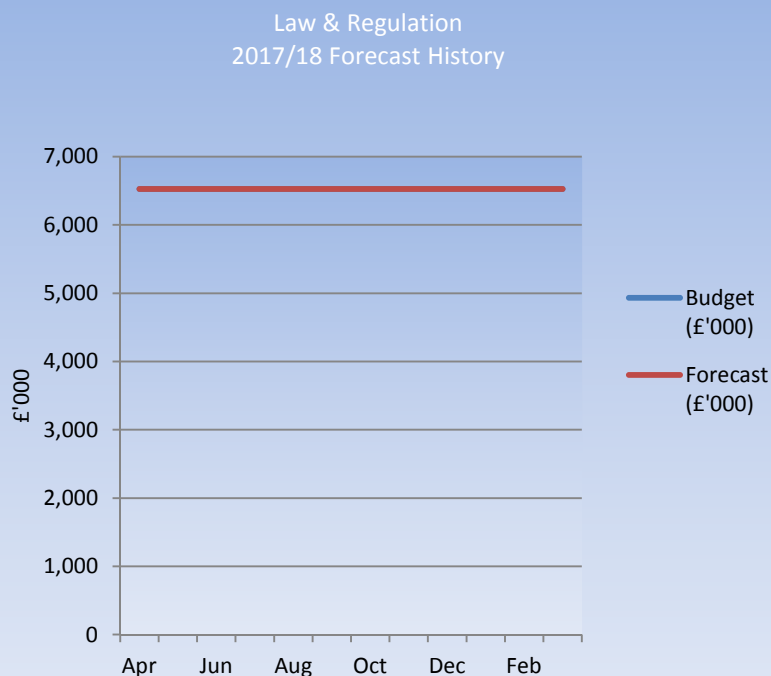
Budget Monitoring Position – July 2017

Law & Regulation

Changes since last month	Current & Emerging Risks / Opportunities (Including non delivery of MTRP savings)
 	<p>CCTV income has been reduced by £50K. This is based on confirmed users for 17/18. The CCTV income was also lower than budget in 16/17 by £90K although this was considered permanently mitigated against in the maintenance contract.</p> <p>Licensing income for Houses in Multiple Occupation continue to be a potential risk in 2017/18 due to the fluctuating nature of renewals and new licences which are influenced by the property market and a range of UK Government Policies. In addition, new legislation in Wales requiring the licensing of landlords may deter some from the market. The impact of these issues on the income for the Service Area is unknown.</p> <p>At the current time, staffing for Registrars is expected to be over budget by £49K. In 2016/17 spend on employees was over budget by £61K as predicted during the year. This overspend is expected to continue in 2017/18 as the service needs to cover all posts to allow the public to discharge their legal duty to register therefore overtime costs and the use of casual staff is relatively high. This is being closely monitored by the Registration Services Manager and the structure is currently being reviewed due to the increase in registration activity. This growth has been sustained over recent years and staffing arrangements need to be evaluated to cope with demand.</p>

Budget Monitoring Position – July 2017

Law & Regulation



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

63

Head of Service Commentary

Management actions to address position:

Key Budget Variances

- There are a number of options being investigated to permanently mitigate against the underachievement of CCTV.
- Staffing for the Registrars is being closely monitored due to the current overspend. The structure is currently being reviewed.

Budget Monitoring Position – July 2017

Law & Regulation

Head of Service Commentary

Head of Service comments/ summary:

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

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

The other on-going budget pressure is the £50k under-recovery of CCTV income due to the failure to secure contracts with Monmouthshire and Torfaen. However, this is being mitigated through a combination of maintenance and line-rental contract savings, alternative proposals for CCTV monitoring work for other councils and the re-structure of the service. The CCTV and Community Safety Warden services has now been relocated at the Civic Centre, with a combined management structure, which has delivered savings to mitigate the loss of the fee income.

Strategic Director Commentary

Strategic Director comments:

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Budget Monitoring Position – July 2017

People & Business Change

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

Key Elements of Budget Variances:

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

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

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

Budget Monitoring Position – July 2017

People & Business Change

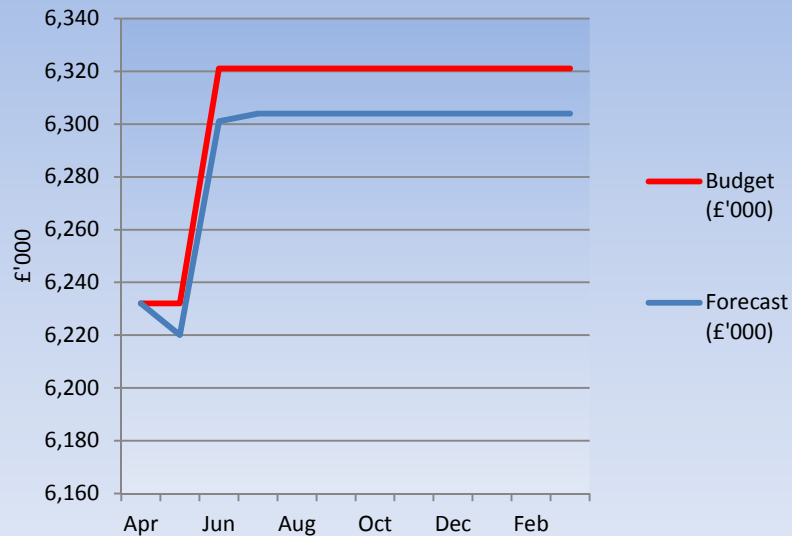
SIGNIFICANT VARIANCES	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Trade Union Duties - redundancy cost	0	11	11	11								
Cost of Clear Review	0	22	22	22								
Staff Conference	0	8	8	8								
Other	0	0	9	-3								
HR Payroll - purchase of IT equipment	0	0	0	10								
Information Governance -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

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

Budget Monitoring Position – July 2017

People & Business Change

People & Business Change
2017/18 Forecast History



BMS Submission Data

% of cost centres submitted by
budget holder deadline

%

79%

Head of Service Commentary

Management actions to address position:

Key Budget Variances

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

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

Non Delivery of MTRP Savings

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

Budget Monitoring Position – July 2017

People & Business Change

Head of Service Commentary

Head of Service comments/ summary:

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

Strategic Director Commentary

Strategic Director comments:

Report



Cabinet

Part 1

Date: 13 September 2017

Subject Capital Programme Monitoring and Additions July 2017

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

To update Cabinet on current spending against the Capital Programme schemes highlighting the forecast outturn position for the programme as at July 2017.

Author Senior Finance Business Partner (Capital)

Ward All Wards

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

The report also updates Cabinet on the current capital expenditure position as at the end of July 2017 along with the forecast outturn for 2017/18. The net effect of the forecasts provided shows an overall Authority-wide underspend variance of £3,631k against the budget of £43,312k. This includes forecast slippage of budget into 2018/19 to the value of £1,789k, giving a true forecast underspend of £1,842k.

Whilst not currently forecast as an overspend, the Gypsy/ Traveller Site project is currently being reviewed in order to reduce initial costings as there is a risk that an overspend position could be reported in future reports if not addressed.

The report also updates Cabinet on the current position regarding capital receipts. To date £770k has been received in-year, which is a significant step towards the total £1,000k estimated to be achieved by the end of this financial year.

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

To note the capital expenditure forecast position as at July 2017.

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

Action by Assistant Head of Finance

Timetable Immediate

This report was prepared after consultation with:

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

- NORSE Property Services

Signed

Background

- 2017/18 is the final year of the current four-year capital programme originally approved by Council in February 2014 at an overall cost of £80.551 million. Over time, a number of changes have been made to the programme due to emerging developments, re-evaluation of priorities and the availability of specific funding sources; these changes have been reported to and approved by Cabinet on a quarterly basis over the past three years. The total budget for the period as a whole now stands at £128.685 million. The table below summarises the changes made to date:

Report	2014/15 £000's	2015/16 £000's	2016/17 £000's	2017/18 £000's	Total £000's
	Budget	Budget	Budget	Budget	
Original Programme	42,619	12,222	11,414	14,296	80,551
	Actual	Budget	Budget	Budget	
Capital Programme Outturn Report 14/15	27,197	39,993	27,813	20,063	115,066
	Actual	Actual	Budget	Budget	
Capital Programme Outturn Report 15/16	27,197	25,783	42,137	18,198	113,315
	Actual	Actual	Actual	Budget	
Capital Programme Outturn Report 16/17	27,197	25,783	32,393	39,456	124,829
This Report	27,197	25,783	32,393	43,312	128,685

Changes to the approved Capital Programme

- The changes to the capital programme identified in this report have increased the overall size of the current year programme by £3,856k (and the 2018/19 committed programme by £600k) since reported in June 2017. These should have no net revenue impact on the budget as all the revenue financing costs for the extra borrowing is covered by existing service area/ school budgets. The capital budget changes and their associated funding are listed in Appendix A and are requested to be approved by Cabinet, whilst Appendix B shows the revised capital programme for 2017/18 including the proposed changes. These changes are summarised in the paragraphs below.
- A new five-year capital programme commencing in 2018/19 is currently being developed in line with forecasts of available resources. The Council will need to consider its key strategic objectives and prioritise potential projects within a limited funding envelope. The Council's 'Directors Management Team' has already considered available funding and key, known priorities at this time and once the Corporate Plan is finalised, the programme can then be finalised for Cabinet's review and subsequent approval. As 2017/18 expenditure funded via borrowing will have an impact on the available headroom within revenue budgets, it is vital that budget holders forecast their outturn accurately. Failing to do so has a detrimental impact on the Council's medium term capital planning.
- School Asset Improvements (£1,100k)** – the report 'Use of 2016/17 Underspend', approved by Cabinet in March 2017 identified a need for investment in the Education estate, to be spent over the two years ending 31st March 2019, and funded via available reserves. Schools were asked to submit bids for this funding, which have been considered against specific criteria. The 18 successful schools have been notified and a number of projects are due to commence in September 2017.
- Caerleon Comprehensive IT Replacement (£373k)** – the school have identified a need to replace their hardware and have evaluated various leasing and purchasing options. The preferred solution is an outright purchase funded via capital borrowing, to be repaid by the school over 6 years (including current year) from within their existing delegated revenue budget for IT.

- **Civic Centre/ Information Station Service Relocations (£1,500k)** – the project to undertake works to these core buildings to facilitate service area office moves is due to commence shortly. The office space created in the Information Station will then be able to generate a rental income stream, part of which can be used to repay the capital borrowing costs of this scheme. The budget allocation identified here will be subject to further refinement as the actual office moves are confirmed over the next two to four months.
- **Gypsy Traveller Site Development (£1,212k)** – the remaining budget for this scheme is made up of a combination of NCC borrowing and Welsh Government grant, with the latter now increased by £808k following the confirmation of an updated award for 2017/18. The budget is further increased as a result of NCC providing match funding of an additional £404k.
- **Disabled Facilities Grants (£133k)** – the report 'Use of 2016/17 Underspend', approved by Cabinet in March 2017, sanctioned additional funding, via available reserves to increase the existing annual sum allocation for DFGs (which is normally funded via Supported Borrowing).
- **Flying Start (£196k)** – WG have confirmed a grant award for 2017/18 made up of £156k for improvements to Carnegie Centre, and £40k for maintenance works at various FS venues.
- **Indoor Market Facilities Improvements (£50k)** – the report 'Use of 2016/17 Underspend', approved by Cabinet in March 2017, authorised the use of available reserves to fund the investment required for improving the condition of facilities within the Indoor Market.
- **Market Arcade Townscape Heritage (–£10k)** – this scheme was introduced to the capital programme as part of the 2016/17 Capital Outturn report at the full budget level, which now needs to be adjusted to reflect £10k of eligible expenditure already incurred in 2016/17.
- **Preparatory Works Allocation (–£100k)** – following a redistribution of revenue budgets due to savings on borrowing costs, a feasibility budget has become available; this negates the need for a similar feasibility budget to exist within the capital programme, therefore it is to be removed.

2017/18 Capital Expenditure Position as at July 2017

- The 2017/18 capital programme allocation now totals £43,312k. Capital expenditure incurred up to the end of July 2017 totalled £6,835k – which is 15.8% of the overall budget. Whilst this seems low, it is appreciated that a significant level of capital expenditure tends to be incurred in the third and fourth quarters of the financial year. This has been the trend for many years and is often unavoidable, for example where a grant awarding body provides notification of funding in the latter half of the financial year, there is increased pressure for NCC officers to complete schemes by 31st March. On other occasions, delays have been within the Authority's control – these should be mitigated by responsible officers, whether via better project management or other scheme-specific actions.
- Project managers will be expected and obliged to continue to control their schemes robustly and monitor them closely to ensure accurate forecasting continues. Poor or inaccurate forecasting is unhelpful for future planning, particularly at the current time as the funding envelope for the next medium term capital programme is in the midst of being developed and will be finalised this autumn/winter. Overspending this year will impact on available funding for the next programme, beginning 2018/19.
- The forecast outturn position for the 2017/18 programme is currently estimated to be £39,681k (91.6% of available budget) as detailed in the following table. An update on the headline/ high value

schemes is provided in the next section; Appendix B summarises the progress on the remainder of this year's programme.

Service Area	Approved Budget 2017/18 £000's	Forecast Outturn £000's	Variance: Slippage £000's	Variance: (Under)/ Over Spend £000's
Education	27,312	26,311	(1,151)	150
Regeneration, Investment & Housing	8,186	8,132	(264)	210
People & Business Change	2,777	568	0	(2,209)
Law & Regulation	6	6	0	0
Adult & Community Services	195	202	0	7
Children & Young People Services	0	0	0	0
Streetscene & City Services	4,836	4,462	(374)	0
TOTAL	43,312	39,681	(1,789)	(1,842)

Update on Headline/ High Value Schemes

Education

- Within the 21st Century Schools Band A Programme, four of the original six project streams remain ongoing: Demountable Replacement, Caerleon Lodge Hill Primary, Special Education Needs (comprising the ASD Facility and the Maes Ebbw Special School expansion), and Ysgol Gyfun Gwent Is Coed (YGGIC)/ John Frost School. All works are complete in relation to the Nursery and Welsh-medium Primary programmes. Works continue to progress with the YGGIC/ John Frost School project on schedule to be complete by spring 2018.
- The Caerleon Lodge Hill Primary rebuild is expected to commence on site in October/ November 2017 with the new school building being occupied in October 2018. This is subject to planning approval in the September Committee. Newport's first ASD School, Ysgol Bryn Derw, opens in September 2017 with the tender and planning process due to commence for the 7 classroom extension at Maes Ebbw Special School.
- The Demountable Replacement Programme is due to be completed by the end of the year with Langstone Primary receiving a 4 classroom extension including a nursery being completed in September and Pentrepoeth Primary receiving a 2 classroom extension which will also include a nursery classroom. The nursery classroom at Pentrepoeth will open in January 2018.
- Works to increase St Andrews Primary and improve the external learning environments have been completed. A major remodelling and improvement of the main entrance and reception is due to be completed imminently. The remaining S106 funding will be allocated following the final account being settled for the reception works, and will be fully spent by the end of the financial year.
- Following approval by Cabinet, £1,100k has been made available for improvements to education assets and schools were asked to submit bids to secure funding allocations. These bids were considered on the criteria of safeguarding, enhancement, and whole school improvement, and 18 schools were successful in securing allocations ranging from £10k to £150k. All works will be completed by the end of the 2018/19 financial year, so the budget is phased across two years.

Regeneration, Investment and Housing

- Gypsy/ Traveller Site Development – additional funds, via a combination of WG grant and NCC reserves, has been made available for this scheme as noted earlier in this report. Designs have been finalised and detailed costings have been produced. These costings are currently being scrutinised by the responsible officers as there is a significant risk of overspend against the approved budget unless a value engineering exercise is successful.
- The Renovation Grants budget, currently split between Disabled Facilities Grants (£1,136k) and Safety at Home (£300k) but can be flexed between each other as necessary, is forecast to be fully spent this year in accordance with demand. The DFG budget is enhanced yet again by the ENABLE Support for Independent Living grant (£187k) awarded by Welsh Government.

People and Business Change

- The IT System & Equipment Replacement Programme remains ongoing, with full spend of the £225k budget forecasted.

Law and Regulation

- CCTV Monitoring Service – this scheme has completed, with final costs due to be processed shortly.

Adult and Community Services

- Both the Telecare Service Equipment and GWICES schemes are progressing as planned.

Streetscene and City Services

- Fleet Replacement Programme – planned vehicle purchases for 2017/18 are forecasting full spend against the budget allocation of £2,077k.
- Schemes have been identified under the sub-headings of road safety, street-wide improvements and lighting column replacement, within the £500k annual budget allocation for Highways Capital Maintenance. Full spend is anticipated for 2017/18.

Update on Capital Receipts

- Capital receipts continue to be earmarked for use as match funding for the 21st Century Schools Programme as per current Cabinet policy, with a current balance of £10.9m available as at the end of July 2017. Of this, circa £8m is estimated to be required for the remainder of 21CS Band A up to the end of 2018/19. The new capital programme currently being developed will include proposals for the use of remaining receipts beyond the current commitment, as part of the overall funding envelope available to the Council.
- Norse Property Services anticipate that a further £500k of capital receipts on property disposals should be achieved by the end of the financial year, in addition to the sums already received as per the table below.

Asset Disposed	Receipts Balance b/f	Receipts Received in Year	Total Available Receipts 2017/18	Receipts Earmarked For:	
				21st Century Schools	Fleet Replace- ment Programme
	£	£	£	£	£
Balance b/f from 2016/17	10,132,291		10,132,291	10,125,907	6,384
16 Charles Street		250,000			
Cot Farm Circle		390,000			
Land at Corporation Road		100,000			
Oliphant Circle Garages		30,000			
TOTAL NCC RECEIPTS	10,132,291	770,000	10,902,291	10,895,907	6,384

- The table below shows capital receipts held for Newport Unlimited, which are attributable to the previous joint arrangement between Newport City Council and Welsh Government. As previously reported to Cabinet, these funds are earmarked for city centre regeneration and require WG approval to spend. Positive dialogue between senior officers and WG officials is ongoing.

Capital Receipts Held for Newport Unlimited	Balance b/f	Receipts Received in Year	Currently Committed to Projects	Balance c/f
	£	£	£	£
Balance b/f from 2016/17	1,609,376			1,609,376
Commitments earmarked this year			(875,000)	
TOTAL NU RECEIPTS	1,609,376		(875,000)	734,376

Risks

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

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

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

Options Available

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

Preferred Option

- To approve the changes to the Capital Programme and note the monitoring position as set out in the report, including the use of capital receipts.

Comments of Chief Financial Officer

Financial issues are reported in the main body of the report. This is an important year as the development of the new capital programme beginning 2018/19 requires the Council to estimate slippage from the current year into 2018/19 so that appropriate revenue budget cover to deal with any borrowing costs are dealt with. Forecasting and delivery of the programme is therefore more important this year as it ever has been.

The forecast outturn position will continue to be monitored on a monthly basis.

Comments of Monitoring Officer

There are no legal issues arising from this report.

Staffing Implications: Comments of Head of People and Business Change

There are no direct HR implications associated with the report.

Comments of Cabinet Member

N/A

Local issues

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

Scrutiny Committees

N/A

Equalities Impact Assessment

N/A

Children and Families (Wales) Measure

N/A

Consultation

As set out in the early part of the report.

Background Papers

Capital Programme 2014/15 to 2017/18 – February 2014
Capital Programme Monitoring and Additions Report – July 2014
Capital Programme Additions Report – October 2014
Capital Programme Monitoring Report – November 2014
2015/16 Budget & Medium Term Financial Plan – February 2015
Capital Programme Monitoring and Additions Report – February 2015
Capital Programme Outturn 2014/15 – June 2015
Capital Programme Additions Report – July 2015
Capital Programme Monitoring Report – October 2015
Capital Programme Monitoring and Additions Report – January 2016
2016/17 Budget & Medium Term Financial Plan – February 2016
Capital Programme Outturn 2015/16 – June 2016
Capital Programme Monitoring and Additions Report – September 2016
Education Capital Programme Report – September 2016
Capital Programme Monitoring and Additions Report – November 2016
Capital Programme Monitoring and Additions Report – January 2017
2017/18 Budget & Medium Term Financial Plan – February 2017
Capital Programme Outturn 2016/17 – June 2017

Dated: 24th August 2017

APPENDIX A – Changes to the Approved Capital Programme

Scheme	Total Cost £000	External Grant £000	Prudential/ Unsupported Borrowing £000	Revenue Contrib'n £000	Reserves £000	Comment/ Revenue Budget Implication
Caerleon Comprehensive IT Replacement	373		306	67		School to pay for borrowing from existing delegated revenue budget for IT
School Asset Improvements	1,100				1,100	Approved by Cabinet March 2017
Flying Start 2017/18	196	196				WG approved award
Disabled Facilities Grants	133				133	Approved by Cabinet March 2017
Indoor Market Facilities Improvements	50				50	Approved by Cabinet March 2017
Gypsy Traveller Site Development	1,212	808			404	Revised grant award from WG with additional match funding from NCC reserves
Civic Centre / Info Station Service Relocations	1,500		1,500			Borrowing costs to be paid for via rental income generated from Info Station tenancy
REDUCED: Market Arcade Township Heritage Scheme	(10)	(10)				Adjustment to budget re 2016/17 expenditure
REDUCED: Preparatory Works Allocation	(100)		(100)			No longer required
Adjustment for rounding	2		2			Correction to budgets on x2 existing schemes
TOTAL	4,456	994	1,708	67	1,687	

APPENDIX B – Capital Expenditure as at July 2017

SCHEME	BUDGET 2017/18 £000	ACTUAL 2017/18 £000	FORECAST OUTTURN £000	NOTIONAL CHARGE £000	TOTAL VARIANCE £000	SLIPPAGE £000	(UNDER)/ OVER SPEND £000	COMMENT
EDUCATION								
STEP	166	0	166		0	0	0	Full spend anticipated by the end of 17/18.
St Andrews Primary 3FE Works	174	(3)	174		0	0	0	Full spend anticipated by the end of 17/18.
21C Schools - School Reorganisation - Lodge Hill New Build	3,853	131	3,853		0	0	0	Scheme progressing on schedule.
21C Schools - Ysgol Gyfun Gwent Is Coed / John Frost School	13,751	5,248	13,751		0	0	0	Scheme progressing on schedule.
21st Century Schools - Special Sector Maes Ebbw	1,650	17	800		(850)	(850)	0	Scheme commenced.
21st Century Schools - Replacement of Demountable	2,404	602	2,103		(301)	(301)	0	Projects ongoing within this scheme.
John Frost School - Additional Funding	3,978	216	3,978		0	0	0	Works ongoing as part of main project above.
Jubilee Park Primary FF&E	385	0	385		0	0	0	Fit out new school being built by developer, open September 2017 - awaiting final costs.
Bassaleg High School – CCTV	50	0	50		0	0	0	Scheme commenced.
High Cross Primary - IT Refresh	28	0	28		0	0	0	Scheme commenced.
Caerleon Comp IT Replacement	373	0	373		0	0	0	New scheme.
School Asset Improvements	500	0	500		0	0	0	New scheme.
Prior Year Scheme Accruals	0	(96)	150		150	0	150	Prior year retentions waiting to be paid, overspend forecast relates to fitout of Ysgol Bryn Derw.
Subtotal Education	27,312	6,116	26,311	0	(1,001)	(1,151)	150	
REGENERATION, INVESTMENT & HOUSING								
Gypsy/ Traveller Site Development	2,724	(110)	2,724		0	0	0	Scheme ongoing.
City Centre Redevelopment CPO Schemes	66	141	141		75	0	75	Remaining CPOs to be settled shortly, resulting in an overspend against budget.
Renovation Grants (DFGs, Safety at Home)	1,569	231	1,569		0	0	0	Scheme progressing as planned, full spend forecast
ENABLE Adaptations Grant	187	16	187		0	0	0	Scheme progressing as planned, full spend forecast
HLF Market Arcade	181	0	181		0	0	0	Scheme ongoing.

Asset Management	1,414	0	1,414		0	0	0	Scheme progressing as planned, full spend forecast
Flying Start	20	0	20		0	0	0	Slippage from 16/17 - Small NCC allocation to cover additional works to grant funded projects.
Flying Start Grant 17/18	196	0	196		0	0	0	Both projects progressing as planned.
Central Library Structural Safety Works	279	2	15		(264)	(264)	0	Only scaffolding costs - further progress unlikely this FY.
Indoor Market Facilities Improvements	50	0	50		0	0	0	New scheme.
Civic Centre / Info Station Service Relocations	1,500	0	1,500		0	0	0	New scheme.
Prior Year Scheme Accruals	0	(796)	135		135	0	135	Prior year retentions waiting to be paid, including contribution to Bridge Training Centre FS works by Norse Asset Maintenance.
Subtotal Regeneration, Investment & Housing	8,186	(515)	8,132	0	(54)	(264)	210	
PEOPLE & BUSINESS CHANGE								
Replacement of High Volume Printing/Copying Machines	210	0	210	210	0	0	0	3 year lease @ £70k per annum.
IT System & Equipment replacement	225	20	225		0	0	0	Allocation for 2017/18 to be spent as required, ongoing.
Corporate EDMS Roll Out	13	0	13		0	0	0	Slippage from 16/17, full spend anticipated this year.
Members IT Refresh	44	36	35		(9)	0	(9)	Scheme complete, expecting further IT Recharges - underspend anticipated.
Implementation of HR Self Serve	85	0	85		0	0	0	Scoping out options on how to spend remaining funds - will present findings to HoF for consideration.
Amount Reserved for Change & Efficiency Programme	2,200	0	0		(2,200)	0	(2,200)	Schemes yet to be identified.
Subtotal People & Business Change	2,777	56	568	210	(2,209)	0	(2,209)	
LAW AND REGULATION								
CCTV - 24/7 Team - Development of CCTV Monitoring Service	6	0	6		0	0	0	Scheme complete, final costs to be paid.
Subtotal Law & Regulation	6	0	6	0	0	0	0	
ADULT & COMMUNITY SERVICES								
Telecare Service Equipment	30	1	30		0	0	0	Annual allocation 17/18 - full spend forecast
Appliance/Equipment for Disabled	165	0	165		0	0	0	Scheme progressing as planned, full spend forecast
Prior Year Scheme Accruals		7	7		7	0	7	Prior year retentions completed at higher cost than previously accrued.
Subtotal Adult & Community Services	195	7	202	0	7	0	7	
CHILDREN & YOUNG PEOPLE SERVICES								

Schemes yet to be determined	0	0	0		0	0	0	
Subtotal Adult & Community Services	0	0	0	0	0	0	0	
STREETSCENE & CITY SERVICES								
Fleet Replacement Programme	2,077	1,104	2,077		0	0	0	Annual allocation, ongoing.
Waste Disposal Site Finishing & Development Works	5	14	5		0	0	0	Scheme substantially complete.
Bus Station - City Centre Redevelopment	297	74	88		(209)	(209)	0	Works nearing completion, potential underspend.
Flood Risk Regulation Grant	26	7	26		0	0	0	Full spend expected.
Decommissioning of Public Toilets	20	0	20		0	0	0	Scheme yet to commence.
Pye Corner Railway Station Development Works	50	0	50		0	0	0	Full spend on knotweed treatment and landscaping should be achieved this year.
Highways Local Government Borrowing Initiative	68	0	68		0	0	0	Scheme now complete.
Highways Capitalised Maintenance (Annual Sums)	500	(39)	500		0	0	0	Annual allocation, ongoing.
Llisbury Recreation Ground Changing Rooms	188	0	188		0	0	0	Scheme ongoing.
Maplewood Play Area	225	6	60		(165)	(165)	0	Scheme ongoing.
George Street/ Lower Dock Street Junction Improvements	75	0	75		0	0	0	Full spend on last year monitoring and area signal upgrade this year.
Peterstone Sewage Scheme	68	0	68		0	0	0	Scheme currently being developed further.
Cemetery Infrastructure Improvements	184	0	184		0	0	0	Full spend expected.
Local Transport Fund 2017/18	1,049	16	1,049		0	0	0	Full spend expected.
Road Safety Capital 2017/18	4	4	4		0	0	0	Scheme complete for 17/18.
Prior Year Scheme Accruals	0	(15)	0		0	0	0	Prior year retentions waiting to be paid.
Subtotal StreetScene & City Services	4,836	1,171	4,462	0	(374)	(374)	0	
TOTAL COST OF PROGRAMME	43,312	6,835	39,682	210	(3,630)	(1,788)	(1,842)	

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Report

Cabinet

Part 1

Date: 13 September 2017

Subject 123-129 Commercial Street

Purpose To advise the Cabinet of current proposals in relation to the delivery of this scheme and to seek approval of the financial considerations arising

Author Matt Tribbeck, Regeneration Manager

Ward Stow Hill

Summary The redevelopment of 123-129 Commercial Street is the flagship project of Newport's Vibrant and Viable Places programme. Welsh Government has ring-fenced the remaining £3.097m of Newport's Vibrant and Viable Places funding into a fourth year of the programme to allow the development to proceed. This funding forms part of a package which seeks to deliver further housing-led regeneration projects within the city alongside the redevelopment of 123-129 Commercial Street. The Council would need to make a financial commitment to the scheme in order to secure the development and bring this £10m investment into Newport City Centre.

Proposal To approve a finance package of £1,050,700 and negotiate terms of an on-lending facility necessary to secure the redevelopment of 123-129 Commercial Street and additional housing led regeneration projects.

Action by Keir Duffin, Head of Regeneration, Investment & Housing

Timetable Immediate

This report was prepared after consultation with:

- Leader of the Council
- Strategic Director - Place
- Head of Finance (Chief Finance Officer)
- Head of Law and Regulation (Monitoring Officer)
- Cabinet Member for Regeneration and Housing

Signed

- **Background**

- .1 This project will redevelop an obsolete block of city centre properties acquired by the Pobl Group in accordance with agreed aims and objectives of the Vibrant and Viable Places (VVP) programme. 123-129 Commercial Street includes the entrance to the Park Square Car Park and the redevelopment will therefore transform a key city centre gateway as well as delivering much-needed new affordable homes for older people.
- .2 Additional funding has been understood to be required for some time due to a number of inflationary factors. The proposed development sits in a difficult urban location and the complexity of the scheme intersects with an ambition to deliver a statement development synonymous with the renewed sense of confidence around the city centre. On-site constraints and market conditions, notably the buoyancy of the local construction industry, have also played a role towards inflating costs. Any dilution of the redevelopment will run contrary to the Planning consent for the scheme and restrict the regeneration impact achieved, which limits the potential to value-engineer the scheme costs down.
- .3 The main source of funding for the development remains the Welsh Government, via a combination of VVP funding secured against the scheme and a requested allocation of Social Housing Grant (SHG). Detailed work has continued to both further improve the financial viability and explore synchronicities between this development and additional housing-led opportunities within the city centre that could be incorporated within the funding envelope of 123-129 Commercial Street. In order to satisfy Welsh Government's Social Housing Grant conditions, there is a requirement to lever in additional affordable housing units. This responsibility is being undertaken by Pobl and will not incur further cost to the project or NCC.

- **Financial Summary**

Capital Costs	Position July 2017 (123-129 only)	Package Option (123-129 and additional 18 units)
Acquisitions	£791,700	£791,700
Main Works	£9,250,000	£11,331,384
On-costs	£502,085 (@5%)	£689,409 (@6%)
NCC On-lending Saving (to be negotiated)	(£200,000)	(£200,000)
Under croft Car Park Income	(£100,000)	(£100,000)
Total Scheme Cost	£10,243,785	£12,512,493
Funding		
VVP	£3,855,000	£3,855,000
SHG	£2,602,085	£2,602,085
NCC Contribution	£1,050,700	£1,050,700
Pobl Private Finance	£2,736,000	£5,004,709
Total Scheme Cost	£10,243,785	£12,512,494

- .1 The package option represents a commitment in principle only to achieve at least an additional 18 units without any uplift in grant. The delivery of additional units is a requirement of Welsh Government approving the overall funding package. No specific schemes have been identified at this stage due to the urgency of the need to secure the funding for 123-129. It is assumed that for these extra units to be delivered with no recourse to Welsh Government grant regimes, this provision would need to be based around shared ownership.
- .2 The core of the funding for 123-129 Commercial Street is derived from the Council's VVP allocation. Ongoing discussion around this scheme saw the Welsh Government ring-fence the

£3.097m allocation remaining yet to be drawn down by the Pobl Group into a fourth year of programme delivery pending approval of a refined scheme. This funding can be defrayed to Pobl immediately to allow the development to proceed once the overall financial package is approved.

- .3 The Pobl Group are already contributing significant private funding into the scheme (£2.736m). Viability calculations provided by the Pobl Group to illustrate the cost of delivering an additional 18 affordable housing units without grant assistance suggests an estimated cost of a further £2.268m. The total Pobl Group contribution to the funding envelope is therefore likely to be in the region of £5m. If the above financial position is accepted, the project risk will lie mainly with the Pobl Group as it will be incumbent on them to develop both 123-129 Commercial Street and the required additional units without further assistance from either NCC or the Welsh Government, beyond that detailed in the existing funding envelope.
- .4 Newport City Council's own commitment to the scheme must also be formally confirmed. At present, the scheme requires a commitment of £1,050,700 in direct match funding in order to make the development viable. There is also the potential to provide an on-lending facility to the Pobl Group allowing them to make an additional £200,000 saving on borrowing rates. Details of this arrangement need to be negotiated and Cabinet approval is sought to commence such negotiations with Pobl.
- .5 The financial impact of this contribution by the Council can largely be met by external funding, as detailed below:
 - An on-lending facility to be discussed with Pobl which would allow them to make a potential saving of around £200,000 on borrowing rates. The figure to be borrowed is yet to be negotiated and approval is sought to commence negotiations.
 - £445,700 can be met by unallocated Section 106 contributions ring-fenced for affordable housing in the city. In accordance with the standard five-year period by which these funds will need to be used, an initial tranche of these monies will need to be paid to Pobl within the current financial year.
 - The allocation of £300,000 Joint-Venture monies is required to support the development.
 - £300,000 is required from the Council's capital reserves to complete the funding package.

By agreement with Pobl, the Council's match-funding contribution will largely be paid out in the final year of construction, providing the authority with security against delivery of the development. It is unlikely that any meaningful legal charge can be attached to the properties at 123-129 Commercial Street due to the requisite primacy of the Welsh Government charges. However we will seek to obtain security on any loan facility.

- **Risks**

- .1 The key risks are as follows:
 - Firstly, that the scheme costs inflate further during the course of delivery. The current proposals are based on explicit communication that no further grant intervention will be palatable to the Welsh Government. Pobl are also aware that NCC is also at the limits of its exposure under the scheme. This risk is mitigated by including within the VVP grant offer conditions attached to the £3.097m that if the overall scheme costs increase, Pobl will meet these additional liabilities through their own sources of funding. No equivalent increase will be made from either WG or NCC in light of total project costs.
 - Secondly, that a minimum of 18 additional units of affordable housing-led regeneration within the city cannot be delivered within the medium term without recourse to any further Welsh Government grant funding. Pobl will be accepting the liability to deliver these units in their entirety and have an excellent track record in the provision of affordable housing. They manage a successful shared ownership product which has been deployed effectively to deliver several housing schemes within the city. Whilst the timing of delivery is less urgent than the formal

commitment to deliver, the provision of at least additional 18 homes will need to be included in the VVP offer of funding to contractually ensure delivery of the scheme(s). There is a pressure on Pobl to produce significantly advanced proposals sufficient to give confidence that they can deliver these additional units and secure the overall financial position.

- Thirdly, tender prices increase. Pobl Group have invested significant effort into a collaborative procurement exercise alongside their main contractor as part of their extensive work to drive down the overall cost of the scheme. This joint approach has realised some savings, however the longer the delay in proceeding with the full scheme, the greater the likelihood that the guarantees attached to the tender prices received to date will expire, which would force Pobl to go back out to tender on each element of this extensive development causing further delay in introducing a risk that the overall cost might inflate. It is therefore imperative that the financial position is agreed as soon as possible to allow the scheme to proceed at the cost identified.
- Finally, the scheme does not proceed. If the scheme does not proceed the Council may be faced with a claw-back in relation to any funding defrayed to Pobl to secure the acquisition of the land. Currently these costs amount to £755,000. It is the Council's position that these funds were defrayed in accordance with both the Council's and the Welsh Government's aims and objectives and terms and conditions, and that any claw-back should be resisted. It is unlikely these funds could be recovered via an enforced sale of the properties in any case.

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Increase in Project Cost	H	M	VVP Offer of Funding Conditions Norse cost consultancy?	NCC/Pobl
Delivery of at least 18 Additional Housing Units	H	L	VVP Offer of Funding Conditions Achievement of Outline Planning Consent	NCC/Pobl
Tender Package Costs Increase	M	M	Pobl have instructed soft-strip works at risk to secure additional commitment to honour tender prices received from their contractors. An urgent decision is the main mitigation around this risk.	NCC/Pobl
Grant Clawback	L	M	The funding has been defrayed in accordance with VVP aims and objectives. WG terms and conditions have not been breached. The Pobl Group intend to proceed with demolition regardless of whether the redevelopment proceeds.	NCC/Pobl

- **Links to Council Policies and Priorities**

- .1 The redevelopment of 123-129 Commercial Street is a key economic anchor which will add significant value to the Council's strategic Priorities and Policies for continued regeneration of the City Centre. City development and regeneration remains one of the Place priorities under the Improvement Plan. The development at 123-129 will create over 200 jobs in the local

construction supply chain, reduce the number of long-term vacant shops in the city centre, improve the accessibility and use of the Park Square Car Park and remove a focal point for antisocial behaviour in the city. It will maintain confidence in the city centre and encourage further development to take place, such as the Emlyn Walk Plaza scheme.

- .2 The 38 units of housing delivered will be of exemplar standard and provide bespoke accommodation for over 55's. Provision for this demographic is of high strategic importance given the pressures around the ageing population and the need to support the active ageing agenda. The units will nonetheless be affordable and can be accessed by those of limited incomes. Housing quality plays a key role in health and well-being and the scheme will increase the housing options for people forced to reside in poor quality private rented accommodation in the city. Pressures on benefit reform will also continue to increase the demand for affordable housing units.
- .3 The project supports Newport City's Economic Growth Strategy, which sets out a ten year programme for delivering growth across the city centre through capital redevelopment, upskilling, training and business support.
- .4 Funded by the Welsh Government's Vibrant and Viable Places Programme, a number of key projects have been completed in the immediate vicinity, including the refurbishment of the National Building, creation of St Paul's Walk and improvements to a number of properties along Cardiff and Commercial Road. These projects have provided an uplift to the area but the proposed scheme is considered to be a key element in reversing the fortunes of this end of Commercial Street and prevent it being further marginalised by the opening of Friars Walk.

- **Options Available and considered**

- .1 To approve the financial commitment of £1,050,700 from Newport City Council, as outlined in Section 5 above, and commence negotiations on an on lending facility which allows the redevelopment of 123-129 Commercial Street to proceed.
- .2 To approve the financial commitment of £1,050,700 from Newport City Council, as outlined in Section 5 above, but without agreeing to the principle of an on lending facility.
- .3 To not approve any form of financial commitment from Newport City Council, leaving the redevelopment of 123-129 Commercial Street unable to proceed.

- **Preferred Option and Why**

- .1 To approve the financial commitment of £1,050,700 and commence negotiations on an on lending facility. As mentioned above, the redevelopment of 123-129 Commercial Street is a significant investment that is critical to the future of the city centre. It will bring a key economic anchor to the southern end of the city encouraging further investment and footfall into an area that is increasingly marginalised by the success of Friars Walk. Ancillary benefits include the creation of construction jobs, training opportunities, and financial benefit to local construction companies. The properties are obsolete in their current manifestation and serve little purpose other than as a focus for anti-social behaviour. If Newport is to maintain the momentum generated by the regeneration of the city centre then it is vital that aspirational and transformational developments such as the proposal for 123-129 Commercial Street are secured and delivered.

- **Comments of Chief Financial Officer**

The medium term capital programme from 2018/19 onwards is currently being developed alongside the Council's medium term budget strategy. This capital programme will need to be affordable and within the

financial constraints available to the Council. As part of this, capital reserves are an integral part of the affordability of the overall programme.

Regeneration has been identified as a priority for the capital programme and capital reserves can be utilised if deemed to be vital for the regeneration of the city. This proposal would see £300,000 of the capital reserve being used, with a further £300,000 being funded from the Council's share of the Joint Venture capital receipts. Following funding already earmarked from the JV receipts, this will reduce the current balance available to £734,000, which based on the split available between WG and NCC would be £620,000/£114,000 respectively.

- **Comments of Monitoring Officer**

The proposals are in accordance with the Council's statutory powers under section 2 of the Local Government Act 2000 to provide funding and financial assistance for the purposes of securing social, economic and environmental improvements to the area. The strategic importance of this scheme has already been established as a critical part of the approved VVP programme and grant funding has already been committed to develop the project. Welsh Government agreement has been secured for an increase to the VVP and SHG capital funding costs, subject to a further commitments from Pobl to secure additional affordable housing units within the area, to extend the social benefits of the scheme.

This commitment will need to be identified as a specific condition of any revise VVP grant offer letter from the Council. The balance of the additional costs will need to be met by Pobl and the Council, through a mix of Section 106 monies, use of the ear-marked Joint venture receipts and loan funding. The Council has the power to provide loan assistance under its section 2 powers, with or without interest, and any preferential rates of interest charged to Pobl would not constitute unlawful state aid as there is no commercial or economic profit involved in the project.

- **Comments of Head of People and Business Change**

The continued regeneration of the city centre with a particular focus on the traditional high street (i.e. Commercial Street) was considered to be a priority as identified in recent public engagement work on the Wellbeing of Future Generations Act 2015. The report explains that the 123-129 Commercial Street project is considered transformational and should deliver a range of wellbeing benefits. Further to this the project is expected to create significant construction employment, will address anti social behaviour issues and will complement other regeneration projects in the area which will help to prevent economic, social and economic marginalisation. The impact on wellbeing linked to this redevelopment project is considerable and should deliver long term sustainable development benefits.

- **Comments of Cabinet Member**

Cabinet Member for Regeneration and Housing has approved the report.

- **Local issues**

Stow Hill Ward members have been consulted.

- **Scrutiny Committees**

Please include a record of any consultation with scrutiny committees. Please add here details of any consultation and the outcomes.

- **Equalities Impact Assessment and the Equalities Act 2010**

The Equality Act 2010 contains a Public Sector Equality Duty which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment;

pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better informed decision-making and policy development and services that are more effective for users. The development proposed at 123-129 Commercial Street will meet an identified need for people with protected characteristics and provide them with suitable accommodation in a sustainable and accessible location. It is therefore considered that the development would have a positive impact.

- **Children and Families (Wales) Measure**

Although no targeted consultation takes place specifically aimed at children and young people, consultation on planning applications and appeals is open to all of our citizens regardless of their age. Depending on the scale of the proposed development, applications are publicised via letters to neighbouring occupiers, site notices, press notices and/or social media. People replying to consultations are not required to provide their age or any other personal data, and therefore this data is not held or recorded in any way, and responses are not separated out by age.

- **Wellbeing of Future Generations (Wales) Act 2015**

.1 The Well-being and Future Generations (Wales) Act seeks to improve the social, economic environmental and cultural well-being of Wales. Public bodies should ensure that decision take into account the impact they could have on people living in Wales, in the future. The 5 main considerations are:

- Long term: Funding regeneration schemes in the short term will enable the local economy to grow and sustain jobs and new housing in the longer-term, leading to a more prosperous and resilient Newport with cohesive communities and a more prosperous Wales.
- Prevention: Regeneration will prevent further decline in key parts of the City. Resultant new housing and job creation will help reduce housing need and unemployment rates leading to a more prosperous and resilient Wales.
- Integration: Improving the physical environment will make the City more attractive to investors and residents. Creating more jobs and housing will improve the well-being of Newport's residents by providing access to a range of housing. This will create more resilient and cohesive communities who are well served by suitable housing and employment opportunities.
- Collaboration: We work closely with other Council departments and external partners including Welsh Government to deliver regeneration priorities in Newport. This leads to a more prosperous and resilient Wales with more cohesive communities.
- Involvement: All the recommendations in this report fully support the findings of the recent Your Newport Survey. This helps develop a more prosperous, resilient Wales with sustainable and cohesive communities.

.2 The proposal is in line with the Council's well-being objectives published in March 2017. Specifically, these proposals contribute to the following well-being objectives:

"Promote economic growth and regeneration whilst protecting the environment"
"To enable people to be healthy, independent and resilient"
"To build cohesive and sustainable communities"

- **Crime and Disorder Act 1998**

.1 Section 17(1) of the Crime and Disorder Act 1998 imposes a duty on the Local Authority to exercise its various functions with due regard to the likely effect of the exercise of those functions

on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. Regeneration of the city centre has been shown to reduce the impact and incidence of crime and anti-social behaviour. The properties at 123-129 Commercial Street are subject to continual trespass for the purposes of drug use and metal theft, and have been the location of at least one serious fire. Redevelopment will therefore eliminate a focal point for crime and disorder and improve public safety in the city centre.

Consultation

Comments received from wider consultation, including comments from elected members, are detailed in each application report in the attached schedule.

Background Papers

Pobl Group summary of development costs (pending)

Dated: 7 September 2017



Report

Cabinet

Part 1

Date: 13 September 2017

Subject **Cabinet Work Programme**

Purpose To report and agree the details of the Cabinet's Work Programme.

Author Head of Democratic Services

Ward All Wards

Summary The purpose of a work programme is to enable Cabinet to organise and prioritise the reports and decisions that are brought to each of meeting. Effective forward planning by Cabinet also impacts positively upon the Council's other Committees, in particular Scrutiny, because work needs to be coordinated on certain reports to ensure proper consultation takes place before a decision is taken.

The current work programme runs to May 2018, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Head of Democratic Services brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

Proposal **To agree the updated work programme.**

Action by Head of Democratic Services

Timetable Immediate

This report was prepared after consultation with:

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

Background

The purpose of a work programme is to enable Cabinet to organise and prioritise the reports and decisions that are brought to each of meeting. Effective forward planning by Cabinet also impacts positively upon the Council's other Committees, in particular Scrutiny, because work needs to be coordinated on certain reports to ensure proper consultation takes place before a decision is taken.

The Wales Audit Office's Corporate Assessment of Newport City Council, published in September 2013, highlighted the need to "strengthen committee work programming arrangements to ensure they are timely, meaningful, informative, transparent, balanced, monitored, and joined up". Since that report was published, these monthly reports have been introduced to provide Cabinet with regular updates on its work programme, and the opportunity to comment upon and shape its priorities as an executive group. The Democratic Services team have also been working to improve the links between this and other work programmes under its management (e.g. Council, Scrutiny, Audit) to ensure the various programmes are properly coordinated.

The current work programme runs to May 2018, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Head of Democratic Services brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

Financial Summary

There is no direct cost to adopting a programme of work.

Risks

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

Links to Council Policies and Priorities

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

Options Available and considered

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

Preferred Option and Why

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

Comments of Chief Financial Officer

There are no financial implications in adopting a programme of work.

Comments of Monitoring Officer

There are no legal implications in adopting a programme of work.

Staffing Implications: Comments of Head of People and Business Change

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

Comments of Cabinet Member

The Chair has approved the report for consideration by cabinet.

Local issues

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

Scrutiny Committees

Monthly update reports allow the Scrutiny and Cabinet work programmes to be better coordinated. The Scrutiny team and Members are currently developing new ways of working through the new Committees, and continually reviewing the work programmes to focus more on risk, and ensure all scrutiny activity has a defined purpose and constructive outcome.

Equalities Impact Assessment and the Equalities Act 2010

This does not apply to this procedural report.

Children and Families (Wales) Measure

This procedural report does not impact on Children and Young People although certain reports contained in the programme may do and will need appropriate consultation and comment when they are presented to cabinet.

Wellbeing of Future Generations (Wales) Act 2015

This is a procedural report but reports contained within the programme will need to show how consideration has been given to the five things public bodies need to think about to show they have applied the sustainable development principle put into place by the Act.

Crime and Disorder Act 1998

This does not apply to this procedural report

Consultation

As set out above

Background Papers

[Newport City Council Corporate Assessment](#), Wales Audit Office (September 2013)

[Newport City Council – Corporate Assessment Follow Up 2015](#), Wales Audit Office (May 2015)

Dated: 7 September 2017

Meeting	Agenda Items	Lead Officer	Next Council?
18-Oct-17	Corporate Plan	HP&BC	28 Nov 2017
	Improvement Plan Quarter 1 Update	HP&BC	
	Final Year End Analysis of Pis (All Wales Data)	HP&BC	
	Certificate of Compliance 1	HP&BC	
	WAO Regulatory Fees	HP&BC	
	Work Programme	CDSO	
15-Nov-17	Education and Pupil Performance Data	CEdO	28 Nov 2017
	WAO Action Plan Update	HP&BC	
	Revenue Budget Monitor	HoF	
	Capital Budget Monitor	HoF	
	Work Programme	CDSO	
20-Dec-17	Revenue Budget and Medium Term Financial Plan	HoF	30 Jan 2018
	Mid-Year Analysis of Pis	HP&BC	
	Certificate of Compliance 2	HP&BC	
	Work Programme	CDSO	
17-Jan-18	Risk Update	HP&BC	30 Jan 2018
	Revenue Budget Monitor	HoF	
	Capital Monitor and Additions	HoF	
	Improvement Plan Update	HP&BC	
	Verified Key Stage 4 and 5 Pupil Outcomes	CEdO	
	Work Programme	CDSO	
14-Feb-18	Revenue Budget and Medium Term Financial Plan	HoF	27 Feb 2018 Budget
	Capital Budget	HoF	
	Treasury Management	HoF	
	Local Wellbeing Plan	HP&BC	
	Work Programme	CDSO	
14-Mar-18	School Categorisation	CEdO	24 April 2018
	Pay and Reward Statement 2018/19	HP&BC	
	WAO Action Plan Update	HP&BC	
	EAS Business Plan	CEdO	
	Work Programme	CDSO	
18-Apr-18	Improvement Plan Update	HP&BC	
	Work Programme	CDSO	
16-May-18	Items TBC		
	Work Programme	CDSO	

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