

# Minutes



## Cabinet

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Date: 15 November 2017

Time: 4.00 pm

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

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### 1 Apologies for Absence

Councillor R Truman (Cabinet Member for Licensing and Regulation and B Owen (Corporate Director – Place).

### 2 Declarations of Interest

None received.

### 3 Minutes of the Last Meeting

The minutes of the meeting held on 18 October 2017 were confirmed as a true record.

### 4 Wales Audit Office Certificate of Compliance 1

The Leader presented the report to Cabinet with the Certificate of Compliance issued by the Wales Audit Office (WAO) following an audit of the council's Improvement Plan 2016-18.

Each year the WAO conducted an assessment of how well the council had met its duty on how to demonstrate continuous improvement. This was certificate 1 of 2 for the Council.

The Leader was pleased to inform Cabinet that the Certificate of Compliance was the first of two for 2017-18.

The certificate related to the WAO's 'Improvement assessment audit' and confirmed that the council had acted in accordance with Welsh Government guidance and discharged its duties in accordance with the Local Government (Wales) Measure 2009.

The Leader concluded that the certificate gave assurance that in spite of the challenges faced by the council we not only complied with the Improvement Plan but was also able to show improvement.

This was the first of two certificates that the authority would aim to achieve in each financial year.

#### **Decision:**

To note the positive outcome of the Certificate of Compliance in relation to the council's Improvement Plan 2016-2018.

## 5 **Wales Audit Office Action Plan**

The Leader presented the progress update on the action plan to address the Wales Audit Office (WAO) recommendations and proposals for improvement in their review of progress in addressing the Corporate Assessment and Corporate Assessment Follow-up recommendations 2015-16.

Newport City Council was the first authority in Wales to go through the corporate assessment cycle in 2013, since then the WAO have reviewed the council's progress twice.

In each review, WAO had been able to reduce the number of recommendations they made due to the good progress of the council in addressing them, again, as mentioned above by showing how the council had been able to improve despite financial and legislative pressures.

This report shows the action plan that was put in place to address the recommendations from the 2015/16 review.

This update showed that through the continued efforts of council employees and with new scrutiny arrangements in place, the council was able to make excellent progress and reduce the number of outstanding actions from 17 to five. This was testament to the hard work of the staff and was exceptional. The Leader said well done to everyone involved.

The Leader advised that work would continue to ensure that progress was made to address the five remaining actions. The signs were encouraging from Scrutiny which was noted by WAO.

With the new scrutiny arrangements in place, work would focus on people management with a view to embedding these positive changes.

The cabinet echoed the Leaders positive comments and thanked staff for their hard work.

### **Decision:**

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

## 6 **Corporate Plan**

The Leader presented the Council's draft Corporate Plan, following consultation with staff and with scrutiny colleagues.

The Leader thanked all those who provided their feedback and helped shape this final draft of the plan.

The comments provided by the Overview and Scrutiny Management Committee were set out in the report on pages 46 and 47, together with a response to each point raised. Emphasis was made on the comments about how the plan would be monitored, with an explanation on how the plan would link with service plans and other strategies. A clearer reference was also included on collaborative working and links to the Public Services Board. The Leader noted how the plan would be monitored.

Cabinet would now agree this final draft, and the Corporate Plan would be presented to Council on 28 November 2017 for formal adoption.

The following positive comments were highlighted:

- The Corporate Plan was the most comprehensive and transparent plan put forward and was conclusive in the degree in which persons were consulted.
- It was encouraging to see Children's Charter and the council's Apprenticeship Scheme in the plan. The benefit of the Children's Charter was that it opened up the council and helped younger people understand the function of the council.
- The commitments made would help build a thriving city working closely with stakeholders in the hope that Newport would be seen as a desirable site to re-locate to work. It also showed that the plan was supported fully by stakeholders.
- The achievements set out in the Plan showed a high standard of performance within the Council.
- It was heartening to hear the improvements and how Cabinet considered the document to be positive. There was a clear message to staff on the delivery of priorities which had been set out for the city. It was a good step forward for the council to consider.

**Decision:**

To agree the Corporate Plan and recommended it to Council.

**7 September Revenue Budget Monitor**

The Leader presented the report which detailed the current forecast position on the Council's revenue budget and the risks and opportunities that presented themselves within the September position. The Leader met with Leader of the Local Government Authority for England along with Scottish and Irish Leaders in London the day before. Each Local Government Leader faced the same issues even in different party political groups, which was a lack of finance and huge demand for service resulting in the demand outstripping supply.

The report pointed to a challenging position that the council was currently managing. There was significant and unprecedented demand in social care and special education services, this was an issue across all Council's in Wales and the UK. The position however was currently being managed within the overall budget and some actions had been previously agreed to bring this about, such as the non-essential spending restrictions. Focussing on the positive there was only three out of 156 areas where there were any issues.

It was noted that the position had improved since last report and whilst there were inherent risks in these forecasts; not least in these 'demand-led' areas, there were also opportunities for the position to improve even further towards the second half of the financial year. With this in mind, Cabinet would be keeping a close eye as time progressed.

Whilst there was no guarantee as to the demands in the future, everyone was expected to exercise stringent financial management. The Leader on behalf of the Cabinet thanked senior managers and their teams for their hard work.

Finally, as the report highlighted that the key focus was to stabilise and manage the demands and lower the future cost pressures on social care and education budgets. This would take some time and it was therefore paramount to manage the risks in these service areas. The Leader felt confident that the challenges could be met, whilst continuing to address the needs of Newport's most vulnerable residents.

The following observations were made:

- Whilst there were three areas that faced challenges, the majority of areas by comparison had done extremely well to show a projected underspend.
- Social Services were looking into ways on how to maintain a quality service and reduce costs.
- It was important to emphasise that the Council was projecting an underspend, however it was during these times of financial hardship that reserves were used to ease the pressure.

**Decision:**

- To note the overall budget forecast position and key budget challenges.
- To note the use of the Council's contingency budget to balance the current level of overspending, previously approved by Cabinet, which would be assessed each month on an on-going basis.
- To note that a targeted non-essential spending restriction was already in place as reported previously and re-affirm the need for robust financial management and maximise savings on the non-essential spend restriction, wherever possible.
- To note the level of undelivered savings within each directorate and the risks associated with this.
- To note the forecast movements in reserves (appendix 3) and approve the additional Invest to Save reserve bids summarised in appendix 4.
- To note the balance in respect of the investment reserve (use of 16/17 underspend on a series of one-off projects/priorities) which had been assumed within the current forecast.

**8 Capital Budget Monitor**

The Leader presented the Capital Programme with requests for new capital schemes to be added to the Council's Capital Programme.

The report pointed to steady progress on the delivery of the Council's Capital Programme and individual schemes, including the 21C schools projects which had significantly expanded over the last three years. With positive emphasis on Ysgol Gyfun Gwent Is Coed (YGGIC) and John Frost School; as a much needed scheme which was on track. The building work had been progressing at speed.

The Leader was pleased to include in the programme some key schemes which would have a significant boost to the on-going regeneration and developments within the city and city centre, namely the National Software Academy, which it was hoped would lead to significant benefits in the city as well as the redevelopment of 123-129 Commercial Street.

The following comments were made:

- The Council was in a fortunate position where external partners were making positive comments and commitments to the city. This would enable the council to invest wisely towards proposed schemes. Positive examples such as Pobl meant that businesses could flourish and showcase Newport as a vibrant city in which to live.
- The Software Academy was a positive example and would act as a magnet to high tech businesses and entrepreneurial enterprises for the city on this basis Newport would also bring high value employment which would create wider network, which was a step in the right direction.

Finally, the Leader paid tribute and noted the significant contribution the late Carl Sargent, AM had made in relation to 123-129 Commercial Street.

**Decision:**

- To approve the additions to the Capital Programme requested in the report.
- To note the capital expenditure forecast position as at September 2017.
- To note the balance of and approve the allocation of in-year capital receipts.

**9 Transporter Bridge: Heritage Lottery Fund**

The Leader thanked Mr D Hando, Friends of Newport Transporter Bridge for attending the meeting and asked about his trip to Argentina, which he made to visit their transporter bridge as part of a fact finding mission. Mr Hando provided an article to South Wales Argus on the visit which was a very insightful fascinating trip. Mr Hando hoped that the Cabinet could push CADW in the right direction to support the funding and had also written to HRH Prince of Wales to highlight the application.

The Cabinet Member for Culture and Leisure presented the report to seek approval to submit a stage 1 Heritage Lottery Fund (HLF) bid for repairs, restoration and improvements to visitor facilities at the Transport Bridge.

Seeking heritage lottery funding was a substantial undertaking with a corporate commitment, which would be rewarded by the substantial capital resources a successful bid could bring. The amount being bid was in the sum being £10Million, this level of resource was not available from any other source.

The Cabinet Member highlighted the key outcomes which could arise from a successful bid along with key inputs and the application process.

There were risks and it was key to keep costs under control. The Transporter Bridge repair was a non-standard project and there was little existing data on which to base costs. Additionally the existing gap between the Council's identified sum and the matched funding required was an undoubted challenge.

The bid would be unlike the majority of bids considered by HLF. It was being driven by a local authority, the heritage was sited in a Communities First area and Newport had not won its fair share of lottery funding to date, with this in mind the HLF have made very positive 'noises' to date.

The Leader concluded that there would be a visit by a trustee in March 2018 and it would be important for the trustee to meet senior politicians and managers together with representatives of the community, such as Mr Hando to make the case for funding.

The Cabinet were pleased with the report and the prospect of an iconic symbol being preserved for future generations.

**Decision:**

To approve the submission of Stage 1 lottery application to the HLF and to identify a potential £1.25Million in the Council's capital programme for the matched funding requirement at Stage 2.

**10 Education and Pupil Performance Data**

The Cabinet Member for Education & Skills presented a report on the outcome regarding pupil performance for Foundation Phase, Key Stage 2 and Key Stage 3 at the end of the academic year 2016-17 for schools in Newport and to discuss issues arising.

During the academic year 2016-17 the performance at Foundation Phase, Key Stage 2 and Key Stage 3 improved compared to the previous academic year. At Foundation Phase and at Key Stage 2, performance was better than expected based on the Free School Meal population. Using this measure Newport would expect to be in a 15/22 position with local authorities in Wales.

Key figures were provided to Cabinet on the improved performance at Foundation Phase, Key Stages 2 and 3.

In addition, the National Tests for English and Welsh reading and numeracy reasoning reported a decline in pupils gaining a standardised score (SS) of more than SS85+ and of SS116+. There was an increase in the percentage of pupils performing SS85+ and SS116+ in the numeracy procedural test.

It was observed that Newport should see an improvement in a wider context in GCSE results this summer and secondary schools would have achieved their highest ever position. The percentage figures on improvement might seem minor but were representing the margins of what was likely to be achieved. To be sixth out of 22 Councils was a very good sign and KS2 was also similar. The main challenges had been addressed and improvement was significant as Newport was closing the gap, although there was room for further improvement.

Overall however, this was a very positive outcome, showing constant improvement over time and a full package of improving performance across the board.

**Decision:**

- To acknowledge the position regarding pupil performance and progress made.
- To consider any issues arising that the Cabinet may wish to draw to the attention of the Chief Education Officer.

**11 Cabinet Work Programme**

The Leader presented the Cabinet Work Programme.

**Decision:**

To agree the proposed programme.

The meeting terminated at 16:53