

Agenda



Cabinet

Date: Wednesday, 14 February 2018

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>Revenue Budget 2018-19 and Medium Term Financial Plan: Final Proposals</u> (Pages 11 - 226)	All Wards
6	<u>Work Programme</u> (Pages 227 - 232)	

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Agenda

Cabinet

Dyddiad: Dydd Mercher, 14 Chwefror 2018

Amser: 4 y.p.

Lleoliad: Ystafell Bwyllgor 1 – Y Ganolfan Ddinesig

At: Cynghorwyr: 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 y cyfarfod diwethaf</u>	
5	<u>Cyllideb Refeniw 2018-19 a Chynllun Ariannol Tymor Canolig: Cynigion Terfynol</u>	Pob Ward
6	<u>Rhaglen Waith</u>	Pob Ward

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Minutes



Cabinet

Date: 17 January 2018

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

1 Minutes of the Last Meeting

The minutes of the meeting held on 20 December 2017 were approved as a true record.

2 School Reorganisation Proposal - Removal of Learning Resource Base Provision at Llanwern High School - Final Decision

Councillors Harvey and Truman declared a non-prejudicial interest in this item as local authority representatives on the governing body of Llanwern High School.

The Cabinet Member for Education and Skills presented the report, asking Cabinet to approve the school reorganisation proposal to permanently remove the Learning Resource Base provision currently at Llanwern High School with effect from April 2018.

For this item, Cabinet was sitting in its role as the Local Determination Panel under the School Standards and Organisation (Wales) Act 2013 and the School Organisation Code.

Because an objection was to this proposal was received during the statutory consultation stage, the final determination could not be taken by the Cabinet Member, but had to be referred to full Cabinet as the Local Determination Panel under these regulations.

It was confirmed that there were no young people in this Learning Resource Base at present, as all pupils had been moved to either alternative small group provisions in host schools, or small nurture groups which were more suitable to their specific needs.

The closure was linked to budget savings from 2017/18 and carry over to 2018/19. However the main focus of the change was to achieve better value for money and improved, sustainable support through re-integration to mainstream and placement in other settings for this particular group of pupils.

Cabinet Members spoke in support of the proposal, highlighting the positive moves for previous LRB pupils to alternative settings, and that alternative employment had been offered to all affected staff. It was noted that no complaints or objections had been received from pupils or their families, and officers were commended for the extent of the consultation which provided a strong evidence base for this decision.

Decision:

To approve the school reorganisation proposal “to permanently remove the Learning Resource Base provision currently at Llanwern High School with effect from April 2018”.

3 **Verified Key Stage 4 and 5 Pupil Outcomes**

The Cabinet Member for Education and Skills presented the report which provided analysis of the performance data for Key Stage 4 and 5 results in 2016/17.

The Cabinet Member highlighted that there had been significant revisions to examinations over the preceding two years, which resulted in a different focus on the skills, knowledge and understanding being tested. All GCSE and A levels had been affected in some way but the most predominant changes had come through the Maths and English GCSE, with specific focus on a new Numeracy Paper, a second Science GCSE and the counting of English Language (only) in the Level 2 Inclusive Measure.

Newport was exceptionally well prepared for these changes and implemented support for its secondary schools over that two year period. It was confirmed that this support was continuing and learning points had been taken from the 16/17 pupil outcomes.

The Cabinet Member highlighted that this support and planning had produced some outstanding results, particularly noting that this was the first time in history that Newport had achieved over the Welsh average for the Level 2 Inclusive or the Maths Level 2 Indicators. In all other indicators, the gap between the all Wales average and Newport had reduced and national ranking had subsequently improved.

Although this report focused on all Wales comparisons, it was reported that Newport had also performed strongly in its regional position.

In conclusion, the Cabinet Member noted the ongoing room for improvement, and the continuing ambition of the service and wider Council to create a learning, working and thriving city. The paper noted some of the ongoing challenges in the figures, including the variance between secondary school performances within the city. It was confirmed that the reduction in variation was a key priority for Education Services this academic year.

In commenting upon the report, the Leader and Cabinet Members congratulated pupils and staff on the excellent results achieved, in the face of some significant challenges. Members also noted the areas for improvement, including the increased gender gap. The increased gap for those pupils in receipt of free school meals was also noted, which the Leader linked with the poverty agenda.

The Leader commended Estyn for introducing a new system for reporting key stage 5 results, highlighting the importance of sixth form education and the difference that can make to pupils' futures. Cabinet Members also noted the ongoing partnership working between the authority, the EAS and schools, centered around high aspirations, constructive challenge and positive effort.

Decisions:

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

4 **Revenue Budget Monitor**

The Chair of Cabinet presented the latest revenue budget monitor, reporting the forecast on the Council's revenue budget at the end of November.

As was reported to Cabinet in November, the Council was seeing significant and unprecedented demand in social care and special education services, which was an issue for Councils across Wales, and the UK. However Cabinet were asked to note that the position was being managed within the overall budget, and actions previously agreed by Cabinet had helped to keep this under control, for example the non-essential spend restrictions.

Since the last report the overall position had improved, and thanks were extended to senior managers and their teams for their work here to date. It was noted that, whilst there were inherent risks in these forecasts, not least in these demand-led areas, there were also opportunities for the position to improve further towards the end of the financial year, and senior members and officers would be keeping a close eye on this.

As the report highlighted, a key focus was now on how to stabilise and manage the demands and lower the future costs pressures on these social care and education budgets. It was recognised that this would take some time, so the authority must manage the risks in these areas in the meantime, whilst continuing to meet the needs of our most vulnerable residents.

In commenting on the report, Cabinet Members highlighted the ongoing challenges associated with budget reductions and austerity measures, and the efforts being made to seek innovative, regional solutions to the issues being faced, particularly in the areas of high overspends. This included repeated lobbying on this issue of Welsh and National Government representatives. Members also noted the continuing professionalism of officers in managing complex budgets and business streams, and keeping the financial position under control in the face of significant challenges.

Decisions:

1. To note the overall budget forecast position and key budget challenges.
2. To note the use of the Council's contingency budget to balance the current level of overspending, previously approved by Cabinet, which will be assessed each month on an ongoing basis.
3. To note that a targeted non-essential spending restriction is already in place as reported previously and re-affirm the need for robust financial management and maximise savings on the non-essential spend restrictions, wherever possible.
4. To note the level of undelivered savings and the risks associated with this.
5. To note the forecast movements in reserves.

5 Capital Monitoring & Additions

The Chair of Cabinet presented the latest update on the capital budget, showing steady progress on the delivery of the Council's capital programme and individual schemes, including the 21st century schools projects. Attention was drawn to the additions since Cabinet's last report on this in November, as detailed on p86 of the agenda:

St Julian's High Building Improvements (£145k)
Glan Llyn Fixtures, Fittings and Furniture (£50k)
Schools Computer Replacements Programme (£116k)
Maplewood Play Area (reduced by £184k)

Otherwise the programme was unchanged and continued to be on track.

Decision:

1. To approve the additions to the Capital Programme requested in the report.
2. To note the capital expenditure position as at November 2017.

3. To note the balance of and approve the allocation of in-year capital receipts.

6 Improvement Plan 2016-18: Quarter 2 Update

The Chair of Cabinet presented the update from quarter 2 on delivery of the Improvement Plan objectives, which continued to be delivered on target, with all but one outcome showing as “good” or “excellent”.

Improvement Objective 8 – Improving outcomes for youth justice – continued to show as amber, but it was noted the reasons behind these figures were well understood, with a significant spike in entrants to the youth justice system caused by recent police operations in the city. Although this was a positive in terms of policing and community safety, it had caused a unique increase for the region, and although this was being managed, Members recognised the additional pressure this had caused for the service.

Overall progress continued to be excellent and Cabinet commended officers for the ongoing efforts on this.

Decision:

1. To note the progress made during the second quarter of 2017/18 regarding key actions and measures.
2. To agree that corrective action be taken to address areas of underperformance.

7 Mid Year Analysis of Performance Indicators

The Chair of Cabinet presented the update on the Council's performance at the mid-year point.

The report included monthly, quarterly and half yearly data as at 30 September 2017. There were 127 measures being collected in 2017/18, and these included national measures as well as improvement plan and locally set measures.

Overall performance showed that

- 68.29% of service plan measures, where data was available, were meeting or exceeding their targets.
- 73% of the improvement plan measures were meeting or exceeding target, which was an improvement on quarter 1 performance.
- 53.57% of national measures had shown improved performance since the year end data from April 2017.

The Leader highlighted that this report presented a snapshot of performance, demonstrating excellent progress against a challenging background of cuts to council budgets, ambitious targets, and new measures brought about by changes to national reporting requirements. It was also noted that the performance figures only told one side of the performance story, with the authority receiving consistently positive feedback from regulators, and low levels of complaints.

Decision:

1. To note the contents of the report.
2. To receive a further update on the year-end position once the data is available.

3. To take urgent action in conjunction with Heads of Service and Directors to address areas of poor performance.

8 **Risk Register**

The Chair of Cabinet presented the update on the corporate risk register. It was confirmed that none of the risks had changed position since the last update. There were 5 high risks and 9 medium risks.

Cabinet's role in reviewing the register is to ensure risks are being appropriately managed and mitigated against by the senior management team.

The detail and planned mitigating actions for each risk were provided in the report.

Cabinet Members commented upon the format of the report, which they felt was well presented and accessible. Cabinet Members also noted the recent letter received from a local judge, giving positive feedback on our safeguarding arrangements.

Decision:

To note the content of the Corporate Risk Register and request regular updates regarding the planned mitigating actions.

9 **Work Programme**

The Leader presented the Cabinet Work Programme.

Decision:

To agree the updated work programme.

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Report

Cabinet

Part 1

Date: 14 February 2018

Item No:

Subject 2018/19 Budget & Medium Term Financial Plan

Purpose To present the consultation results and final proposals for the 2018/19 budget; and ask Cabinet to recommend a final budget and council tax level to full Council on 27 February 2018.

Author Head of Finance

Ward General

Summary The proposed budget for 2018/19 has again been prepared against a background of continuing challenges in local government funding.

Despite this Newport City Council continues to manage its finances effectively, targeting resources to the key priorities set out in the Corporate Plan.

In particular we have:

- Delivered savings of £41m over the last five years whilst improving service outcomes for our communities;
- Targeted over £30m of investments in front line services over the last four years over and above inflation;
- Proposed a budget for 2018/19 which includes a further £10m investment into key services, whilst managing the ongoing challenge of an overall funding cut.

The proposals for 2018/19 have been subject to detailed consultation which is outlined in the report.

The final proposals for the 2018/19 budget are explained and detailed in this report and its appendices.

Section:

- 1 Our financial challenge
- 2 The medium term financial plan (MTFP)
- 3 Welsh Government funding settlement and tax base
- 4 Revenue outturn 2017/18
- 5 2018/19 budget requirement

- 6 Schools position
- 7 General and specific reserves, contingencies and financial risks
- 8 Budget consultation and fairness and equality impact assessments (FEIAs)
- 9 Risk and performance
- 10 2018/19 proposed council tax
- 11 Capital programme
- 12 Treasury management strategy & prudential indicators 2018/19

Appendix:

- Appendix 1 Minutes from the Employee Partnership Forum
- Appendix 2 Extracts from Scrutiny Committees
- Appendix 3 Extracts from Schools Forum minutes
- Appendix 4 Public budget consultation responses and feedback
- Appendix 4a Fairness Commission review
- Appendix 4b Union specific responses
- Appendix 5 Service area draft budgets
- Appendix 6 Budget investments
- Appendix 7 Budget savings
- Appendix 8 Capital programme and budget 18/19 to 2022/23
- Appendix 9 Treasury management strategy and Prudential Indicators
- Appendix 10 Medium term financial plan (MTFP)
- Appendix 11 Reconciliation of movements since budget consultation
- Appendix 12 Equalities issues
- Appendix 13a Financial resilience snapshot
- Appendix 13b Projected earmarked reserves
- Appendix 13c Summary of invest to save spend and forecast
- Appendix 14 Fees and charges
- Appendix 15 Corporate risk register

Proposal Cabinet is asked:

Medium Term Financial Plan and Capital programme (paragraphs 2 – 10 and 11)

1. To note the formal consultation meetings on the budget as outlined in paragraph 8 and the feedback received, shown in appendices 1 to 4.
2. To note the equalities impact assessment summary on the budget proposals, shown in appendix 12.
3. To agree the implementation of the full four year change and efficiency programme, including all budget investments and saving options (appendices 6 - 7), as summarised within the medium term financial plan (appendix 10), and the new capital programme (appendix 8). Noting they are subject to on-going review and updating.
4. To agree the 2018/19 fees and charges of the council shown in appendix 14.

Overall revenue budget and resulting council tax 18/19 (paragraph 10)

5. To note the Head of Finance's recommendations that minimum General Fund balances be maintained at £6.5million, the confirmation of the robustness of the overall budget underlying the proposals, and the adequacy of the general reserves in the context of other earmarked reserves and a revenue budget contingency of c£1.5million and People services specific budget contingency of £2.2m.
6. To note the current level of council tax for Newport City Council and the monetary value of various percentage increase and how this compares to levels of council tax at other councils as shown in paragraph 10.3.
7. To review changes to the draft budget proposals shown in appendix 11, and which are included in the list of budget investments and savings in appendices 6 and 7.
8. To recommend an overall net budget for the City Council and resulting council tax to the Council, noting that a formal resolution including the Gwent Police and Community Councils' precepts will be presented to Council on the 27 February.
9. To approve expenditure and use of the Invest to Save reserve in line with summary shown in appendix 13c, noting they are based on detailed business cases reviewed by Cabinet in their December 2017 meeting.

Capital budget & schemes 2018/19 to 2022/23 (paragraph 11)

10. To agree the capital expenditure budget for 2018/19 to 2022/23 as shown in appendix 8, while acknowledging this will be subject to ongoing change through the life of the programme to reflect new schemes within the affordable MTFP.
11. To note the estimated future capital programme that could be afforded within existing resources, noting corporate priorities and programmes.
12. To agree to keep future capital expenditure within the budgets set out in the MTFP in relation to minimum revenue provision, while making use of other resources and tools to maximise the capital programme (as per Paragraph 11.9). This is subject to on-going review.
13. To agree additions to the 2017/18 capital programme which includes amounts that span into the new programme.

Treasury Management and Annual Investment Strategies, Minimum Revenue Provision Policies and Prudential Indicators (paragraph 12)

14. To recommend the Treasury Management policies to Council (appendix 9).
15. To recommend the Annual Investment Strategy to Council (appendix 9).
16. To recommend the Council's counterparty list (external bodies for Council investments) to Council (appendix 9).

17. To recommend the Prudential Indicators to Council (appendix 9).

18. To recommend the Minimum Revenue Provision (MRP) policy to Council (appendix 9).

Action by Head of Finance

Timetable Immediate

This report was prepared after consultation with:

- Strategic Directors
- Head of Law and Regulation
- Head of People and Business Change

Signed

1 Our financial challenge

1.1 The Council provides over 800 services, for over 147,800 people, living in over 65,000 households. Newport's population is growing, with the largest growth for children under five, and people aged over 65. The Council also provides employment for over 6,000 people.

1.2 Financial pressures and demands on our services are increasing due to:

- Ageing population
- Increases in demand led services
- Care for the elderly and children
- Schools funding
- National Minimum Wage
- Inflationary costs

1.3 Over the last five years, the council has made savings of £41m. To achieve this we have:

- reduced the number of staff we employ by around one quarter
- sold land, buildings and property we no longer use or need
- set up a property services joint venture
- set up a charitable trust for leisure services
- reviewed our services to become more efficient
- developed shared services such as IT
- helped people to live independently

But ongoing public sector austerity measures, coupled with continuing financial pressures and demands mean that even more savings must still be found – at least £26m by 2022.

Setting the budget

1.4 There are two main elements to the council's financial planning:

- strategic planning: the medium term financial plan (MTFP)
- within that, the annual council budget.

1.5 The Council is required by law to set a balanced budget every year. At the same time, we review and update our MTFP to help plan our savings and investments across the next four years. For a number of years we have faced continued financial pressures together with reducing funding allocations from central government, so we have had to find savings to meet the funding gap between the income we receive through our grants and council tax collection, and our expenditure on the wide variety of services we provide.

1.6 To meet this gap, in putting together the budget proposals each year we review:

- i) budget commitments (both investments and savings) agreed in the MTFP last year
- ii) new areas in need of investment and growth
- iii) new proposals for savings and efficiencies
- iv) new proposals on our fees and charges

A 'joined up approach'

- 1.7 As in prior years, and in line with best practice for the budget setting process, Cabinet is asked to consider the key budget issues collectively and:
- recommend a 2018/19 revenue budget and resulting council tax to the Council;
 - recommend the Council's treasury management and investment policies, plus its prudential indicators, to the Council;
- 1.8 In addition, Cabinet is asked to take a strategic and medium term view and agree the implementation of the Council's 2018/19 and future budget proposals, as summarised within the MTFP and the next five year capital programme which will be approved at February's Council, noting that this, in particular will develop further over the five years.
- 1.9 A key part in considering and agreeing the annual budget and MTFP is a consideration of key financial resilience issues and how the budget deals with its improvement plans and risks. These are outlined below for Cabinet's review.

2 The Medium Term Financial Plan

- 2.1 Following the elections in May 2017, the Council has approved a new Corporate Plan which sets out a clear set of aspirations and plans for the future. This is the first budget setting period within this strategic plan. There is work ongoing to develop our new change programme and ensure that the necessary investment (revenue and capital) is available to achieve the priorities set out in the Corporate Plan.
- 2.2 As highlighted within the Corporate Plan, our mission is 'Improving People's Lives'. To deliver this the council must be modern and forward looking and aligned with the aspirations of the Well-being of Future Generations Act.
- 2.3 Under our mission to deliver this, 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. The detailed commitments can be found within the Corporate Plan taken to Council in November 2017. These will represent a significant budget challenge on the MTFP.

- 2.4 The Council's future plans and change programme will need to ensure a strategic approach is taken on the future direction of Council services. This means that it will need to meet the medium term financial sustainability challenge, meet key priorities set out in the Corporate Plan and our duties under the Well-Being of Future Generations Act in terms of sustainability and well-being objectives. The new Corporate Plan is rightly ambitious and whilst this presents significant financial challenges within the current climate of austerity, the Authority has made a commitment to address key priorities over the plan's lifespan.
- 2.5 Factoring in any cost implications of the new Corporate Plan over and above existing revenue and capital budgets will need to be factored into the MTFP when there is

more information available. Clearly, in the current financial climate, the Council will need to minimise the cost implications wherever possible.

- 2.6 The latest MTFP is shown in appendix 10 and is the articulation of the financial challenges and the current organisational change programmes and savings over the next four years. It includes those service changes/ savings which have already been approved for these years from the February 2017 Cabinet meeting as well as new proposals. Whilst the Council is required to set a balanced budget for 2018/19, this is to the backdrop of sustaining over £40m of savings over the last five years and future uncertainties such as the impact of future pay awards and Welsh Government (WG) financial settlements. It should be noted that this 'plan' will inevitably develop and change as assumptions are updated or confirmed for future years.
- 2.7 The detailed assumptions used in the MTFP were noted in the December 2017 Cabinet meeting when the draft budget and MTFP were agreed for consultation.
- 2.8 Following this consultation period, Cabinet is recommended to agree the implementation of the full four year plan including all budget investments and saving options (appendix 6 and 7), as summarised within the MTFP (appendix 10).

3 Welsh Government Funding Settlement and Tax Base

- 3.1 WG funding accounts for the largest part of the council's funding, equating to around 78% of its total net revenue budget. This funding is provided through the non-hypothecated grant – the 'Revenue Support Grant (RSG)'. In addition to this, other grants provide funding for specific purposes.
- 3.2 The Council received its [final RSG settlement from Welsh Government](#) (weblink) on 20 December 2017. Overall, it confirmed that the council would receive £212,790k for 2018/19. After allowing for net specific grant transfers into the RSG, and new responsibilities being funded, this is a cash decrease of £64k (-0.03%) from current funding. Further information is awaited in respect of specific grant income.
- 3.3 WG have indicated that it is likely, in the future, that there will be on-going reductions to the RSG. An average -1% has been indicated by WG for the following year (2019/20) though has not been formally confirmed at time of writing. This is a slight improvement (c£1m in cash terms) on the -1.5% indicated with the draft settlement from WG in October 2017 and follows the improvement in the WG budget expectations set out in the final settlement which indicated an additional £40m across Wales in 2019/20. No indication of future settlements beyond this is available from WG and whilst not ideal from a medium term planning perspective, we have maintained at 1% reduction per annum after 2019/20. This is based on;
 - On-going increases in general population and in school pupil numbers in Newport. Although still challenging, this should ensure the settlement is more favorable than average;
 - Previous settlements for this council, even after taking account of the re-basing impact of the 2017/18 settlement.
- 3.4 Also included within the final settlement was an additional £1.3m funding across Wales for business support - to provide targeted relief to support local businesses which would benefit most from additional assistance. There is no obligation for Councils to use it for this purpose as the RSG is un-hypothecated and the Cabinet have considered this. Given:

- A revenue budget of £60k already exists to support businesses
- Other grant schemes for making of loans etc. are also available
- Discretionary rates relief schemes, both national and local exist
- The council supports businesses and re-development through other routes such as making of loans etc.

It was decided not to make further allocations.

- 3.5 Cabinet should note the inherent uncertainty and risk associated with future funding assumptions and that Welsh Local Government Association (WLGA) and others continue to push for medium term settlements or indicative future funding. Whilst not ideal or helpful, it does not necessarily prohibit medium term planning.
- 3.6 Funding from the tax base has also been finalised following confirmation of the final settlement, the tax base is the estimated number of Band D equivalent properties within the City. As this number increases, it generates additional income through council tax, however, a reduction is made to the council's settlement from WG if any increase is disproportionate to average increases across Wales. The Head of Finance has set the tax-base for 2018/19 and it will increase by almost 1.5% (57,619.96 in 2017/18 to 58,465.51 in 2018/19), significantly higher than the all Wales average of 0.5%-0.8% over the last few years. This has had an impact upon the final settlement and has been taken account of within the 0.03% reduction.

4 Revenue Outturn 2017/18

- 4.1 Although the financial management challenges facing the council are currently more complex than ever and constantly shifting, Newport have demonstrated good financial management over the last five years with an average of 0.9% variance against net budget at year end.
- 4.2 A key component in setting the 2018/19 budget is the financial performance in the current financial year. Of particular importance is the need to bring forward plans to stabilise and manage the current areas of significant in year budget overspending as being indicated in the latest monitoring report – Adults community care, Special Education Needs and Children's out of area placements, whilst managing the budget risks they represent in the shorter term before those plans can be implemented. These areas are overspending by £3.7m in the current year due to increasing need and whilst these areas have overspent in previous years the levels of overspend has continued to increase year on year;
- Childrens social care - 'out of area placements' - £2.3m overspend
 - Adults social care – 'community care' - £0.3m overspend
 - Education – 'special education placements' - £1.1m overspend
- 4.3 Whilst the above reflects the 2017/18 forecast position, some of these issues are applicable to this financial year only. The recurring impact of issues in 2018/19 are as follows:
- Childrens social care 'out of area placements' – after £800k proposed investment in 2018/19 and taking account of the age profile of the children a £1.2m budget pressure is anticipated. This will continue to be monitored as this is an extremely volatile budget.

- Adults social care – the area has benefitted from one off grant funding in year which has seen the overspend reduce from £0.9m to £0.3m. The gross overspend of £0.9m is likely to continue into 2018/19.
 - Education - c£0.8m pressure anticipated to continue although officers are working to ensure that this is minimised wherever possible.
- 4.4 Whilst the budget investment proposals include £1,601k for Children’s services (including £474k transfers into RSG) the scale of the challenge has continued to worsen over the last few months and the impact shown above is ‘after’ this investment.
- 4.5 The service areas will need to look at ways of reducing the pressures in these areas during 2018/19, however it is identified that there will be a lead time to any achievement of reducing these pressures and therefore overspending will still remain in 2018/19 in these areas. Therefore, it is proposed that a budget investment of £2.2m will be centrally allocated as a specific financial risk contingency for People services, while work is progressed to identify ways that these overspends can be reduced. When plans are finalised, this will be allocated to specific budgets as needed, though clearly, plans will need to reduce current level of costs. In summary, this budget investment will provide budget risk cover whilst plans are implemented and then be used to provide investment to implement solutions, as risks reduce thereafter.
- 4.6 Whilst these overspends, in the current 2017/18 year have been partially offset by, (i) c£1m of staffing underspends across services, and (ii) non service area savings of c£2.2m in respect of council tax rebates and council tax surplus this level of underspending cannot be relied upon over the medium term. In saying this, the council tax reduction scheme saving in this current year is expected to continue into 2018/19 at least.
- 4.7 The 2018/19 budget, in overall terms, has been signed off as robust by the Head of Finance. As said above, Cabinet are asked to note that the above three areas will be subject to significant continued overspending in 2018/19 but that the specific People services budget contingency of £2.2m, held centrally, is available to cover most of these and invest in these areas when final details are known as regards how these areas will move forward at lower cost.

5 2018/19 Budget Requirement

- 5.1 Funding levels for service areas, based on the draft proposals, are shown in appendix 5 with the detailed budget investments / pressures and savings shown in appendix 6 and 7 respectively. Proposals for 2018/19 include c£13.5m of budget investments / pressures over and above the costs of inflation. The most significant areas of additional expenditure are linked to:
- £3,985k specific grants transferred into RSG – mainly social care related
 - £1,135k pension deficit
 - £1,100k permanent transfer of funds into schools
 - £1,313k new schools, including a new social, emotional and behavioural difficulty school
 - £800k out of authority residential placements
 - £777k non-teaching staff increments
 - £671k new responsibilities as set out in RSG – homelessness prevention and increasing capital limits for residential care

- 5.2 As is the case each year, WG transfers some specific grants into the council's overall grant settlement. The proposals make the assumption that these are included in those service area budgets which were funded from the specific grants. This allows continuation of those services in the first year. These transfers have been significant this year and are almost £4m. Service funding levels in appendix 5 reflect these changes.
- 5.3 For 2018/19, the WG also transferred 'new responsibilities' to local councils and the settlement included provision for the cost of this. The new responsibilities relate to homelessness prevention and increasing capital limits for residential care. Cabinet should be aware that pressures are included at that level which officer's estimate will be required and has been based on known, current costs.
- 5.4 Significant specific grants are received from WG each year and at this time we still await the finer details of funding levels for 2018/19. It is highly probable that we will see decreases in some of these grants. It is proposed, in line with the council's current working policy, that service areas deal with these matters with Cabinet Members in terms of identifying issues as they become aware of them and developing necessary solutions to resolve them. This may involve reducing / stopping services that WG specific grants no longer fund.
- 5.5 The need to identify a significant level of savings to balance the budget, both for 2018/19 and the next three years was recognised at the early stages of budget preparation and a robust process has identified new savings of c£8.0m of savings over the four years, of which c£7.4m is for 2018/19. These are in addition to already agreed savings of c£3.6m of savings over the next four years, of which just over £2.0m is for 2018/19. The savings are shown in appendix 7.
- 5.6 The budget process has continued since Cabinet agreed the detailed budget proposals for consultation in December 2017. Since then, the council has received its final grant notification and have considered further budget savings and pressures. A full reconciliation of movements since December Cabinet can be found in appendix 11.
- 5.7 The position reported at Cabinet in December was finely balanced, since then, the position improved through the final settlement and the increased tax base. However, offsetting this was the pay award made to the local government (LG) workforce (exc. teachers) in December which was higher than the 1% included at the draft budget stage, and indicated a pay award averaging 2.7%. For non-schools staff, this is estimated to be c£1m and is included within the 2018/19 budget. Although the pay award has not yet been accepted by Unions, an average of 2.9% pay award in 2019/20 has also been included within the medium term budget. This is an estimate at this stage and the position will continue to be monitored over the coming months.
- 5.8 There has been over £30m of service area investments between 2013/14 and 2017/18 over and above inflation. This has been incorporated into budget planning and investment allocated to services to ensure that the best possible services are provided to the people of Newport. The necessary investment seeks to continue as the Authority faces more and more difficult decisions.

6 Schools Position

- 6.1 Cabinet considered the schools' funding position during their December meeting and included;

- (i) providing permanent core funding for the 2017/18 one year funding of £1.1m
- (ii) funding of the estimated cost of new schools.

- 6.2 Aside from this, the December position assumed a cash flat position for schools with no reduction to schools funding.
- 6.3 Schools will need to absorb cost pressures such as inflationary pay awards/ pay increments etc. The existing budget will not be expected to absorb the cost of new schools as new, additional funding is included for this.
- 6.4 This is undoubtedly a challenging position as this level of increase gives rise to significant saving requirement in 2018/19 for schools to produce balanced budgets. As stated above, schools will need to cover 2018/19 cost increases over and above the increased funding shown but also Cabinet will be aware that in the current year, schools approved budgets are drawing down on c£3m of reserves and this will not be possible for most schools to do again in 2018/19, requiring further savings to be made.
- 6.5 In addition to the above, there are further financial challenges coming from education specific grants. Anticipated grant reductions are noted below for which no budget investments are proposed to substitute and therefore schools will need to account and cover for these shortfall's themselves. Headline figures from the Education Achievement Service (EAS) region, suggests a cut to the Education Improvement Grant (EIG) of c£220k (3.7%). We are yet to receive figures for the Post-16 grant, however projections of close to £0.5m reduction have been tentatively acknowledged by WG as being broadly accurate. A further risk is the uncertainty surrounding the future of the Minority Ethnic Achievement Grant (MEAG) which is no longer funded through the EIG grant. This is a regional service hosted by Newport City Council. Newport allocation of grant to fund this is currently nearly £1.5m.
- 6.6 In recognising the challenges the draft budget assumptions give, school funding in overall terms is better than other parts of the council and has increased over the last few years. The table below sets out the proposed percentage change to cash limits in 2018/19 for both schools and other areas of the Council. This excludes the impact of specific grants that have transferred into the RSG (£3,985k) but includes new responsibilities (£671k).

Budget changes for schools and other areas of the council

	2017/18 Base Budget (Apr '17)	Inflation	Other Pressures	Savings	2018/19 Est Cash Limit	Growth/ (Reduction) in Cash Limit	Growth/ (Reduction) as % of net budget
Schools	90,297	-	1,313	- 240	91,370	1,073	1%
Other	176,075	2,273	4,940	- 6,824	176,464	389	0%
	266,372	2,273	6,253	- 7,064	267,834	1,462	

*Estimated cash limit excludes pension uplifts funded centrally and permanent transfer of funds

- 6.7 Schools receive significant specific grants on top of their council funded core budget/funding. The council has increased their element of the total schools funding over the last few years. The table below shows how the overall schools budget has increased by over 7% over the last four years both with and without specific grant funding.

School budget changes 2013-18

Year	Nursery	Primary	Secondary	Special	Total
2013/14	656	50,193	46,152	2,959	99,960
2014/15	585	52,234	47,165	2,894	102,878
2015/16	519	52,924	47,480	3,724	104,647
2016/17	494	54,627	48,619	4,040	107,780
2017/18	512	54,959	47,505	4,247	107,223
Increase in funding over 5 year period (incl specific grants)					7.3%
Increase in funding (excl specific grants & delegations)					7.7%

While it is recognised there have been increases since 2013 relative to other service areas in the council, the position remains challenging for schools due to increasing demand pressures and cost increases.

7 General and Specific Reserves, Contingencies and Financial Risks

- 7.1 The proposed budget incorporates a number of assumptions in terms of levels of income and expenditure in future years. There are, therefore, inevitably a number of financial risks inherent in the proposed budget. The key financial risks are highlighted below.
- 7.2 Any overspend in 2018/19 over and above the revenue contingency budget would be an issue. However, after taking account of the revenue contingency budget, no overspend is currently forecast during 2017/18. Having said that, two significant issues and assumptions are drawn to Cabinets attention;
- (1) Cabinet will know that there are three areas of significant over-spending, at levels over and above investments in these areas and general contingency for 2018/19. Key forecasted over-spending are £2.9m in 2018/19 at current service levels with mitigation forecasted higher at £4.7m (general contingency £1.5m, People services specific contingency £2.2m, underspend in council tax reduction scheme c£1m) thereby providing more than enough budget cover in overall terms.
 - (2) The Schools budget challenge is very significant and will require savings to be implemented for 2018/19. Individual Schools are using all/ most of their reserves to fund their current 2017/18 financial year spending and this will not be available again for most schools in 2018/19. The view on the robustness of the budget makes the assumption that schools will make the necessary savings required at this point but is a significant on-going risk.
- 7.3 In relation to (1) above, it will be important that the council brings forward robust plans to reduce current spend here so that the People services contingency can then be used to permanently fund that reduced spend. If this is not possible, further investment in the services may be required to be able to set the 2019/20 and future budgets, likely requiring further saving in other areas to fund.
- 7.4 New saving proposals and additional income proposals over the four year period amount to approximately £8.0m of which most is in 2018/19 and will need to be delivered in order to achieve a balanced budget for 2018/19. This will result in implementation costs and inevitable financial risk around delivery of all savings. Realistic part year assumptions have been made where implementation cannot be

immediate but there is an inherent financial risk around achieving service changes in time to deliver the planned savings.

- 7.5 Inflationary increases in budgets have been set at a low level, consistent with most other Local Authorities. Invariably, this introduces a degree of financial risk as key inflationary pressures are not known with certainty at this time but this financial risk is no higher than in any other year. Although additional funding has now been included in the MTFP in 2018/19 for the pay award, this still remains a risk as the current offer has not yet been accepted by the Unions.
- 7.6 In terms of any contingencies and reserves, the Head of Finance needs to review these in their totality in conjunction with the base budget and the financial risks which face the Authority. In addition, this review should incorporate a medium term view and take into account key developments that may impact on the need for and use of one off resource. In this respect, Cabinet will be aware that the current base budget has a c£1.5million general contingency budget.
- 7.7 In light of the financial risks highlighted above, a robust view is being taken on managing budget risks and protecting the financial health of the council. In that respect, the council's financial resilience is a key consideration and appendix 13 shows the current 'snapshot' of key data and information, alongside the current and projected position on the council's reserves.
- 7.8 The financial resilience 'snapshot' shows that the council is mitigating potential risks through a number of avenues, there are sufficient levels of general reserves (discussed further below) and there are a number of earmarked reserves which are set aside to mitigate against specific risks such as the insurance reserve. There are also earmarked reserves set aside to fund expected future increases in costs for projects and furthermore a reserve set aside for the smoothing of the funding associated with these projects, the most significant example being the Private Finance Initiative (PFI) reserves. These contribute to a strong balance sheet position that is shown in the 'snapshot'.
- 7.9 The council has also been able to show strong financial control and has managed within its budget over a number of years, despite the high level of savings. This is projected to be the case for 2017/18 which, again, is summarised in the financial resilience 'snapshot' appendix.
- 7.10 Significant one off costs will be required to implement the budget saving proposals set out in the MTFP. Forecasts indicate that there will be sufficient funds within this reserve to meet the one off costs over the medium term. A summary of the position is shown in appendix 13 based on the detailed business cases for budget proposals agreed by Cabinet in December 2017. Cabinet is requested to approve this expenditure, funded from the reserve, noting it will be regularly reported to Cabinet as part of revenue budget monitoring.
- 7.11 A 'rule of thumb' analysis for determining the level of general reserves suggests this is at least 5% of net revenue expenditure (excluding schools' budgets); unless a formal risk assessment justifies a lower level. This implies a level of c£8.8million for Newport.

However, taking the approach outlined above:

- 7.12 Whilst it is accepted that as significant budget reductions are made it invariably introduces financial risks, Newport has a reputation of managing within its budget. Budget risks have been addressed within the detailed business cases. In 2018/19, a

People service contingency provides short term mitigation for anticipated over-spending whilst plans are finalised to reduce costs.

- 7.13 Protection against budget risks is provided through earmarked reserves and contingencies of which the People services contingency outlined above is new for 2018/19. In addition, the council has a number of earmarked reserves for known, but not always easily quantifiable, financial risks.
- 7.14 In the context of the above and the financial risks inherent in the proposed budget, it is recommended that the minimum level of general reserves remain at its current level of £6.5m, supported by the base general budget contingency of £1.5m and a People services contingency of £2.2m.
- 7.15 The base general budget contingency, specific People services budget contingency, and the significant anticipated under-spending on council tax reduction scheme, alongside the level of recommended general and earmarked reserves reflect the overall potential financial risk associated with delivering the budget in 2018/19. With general reserves, these provide sufficient capacity to cover financial risks. In light of this approach, the Head of Finance, as part of his S151 responsibilities, is content that the 2018/19 overall budget as proposed is robust.

8 Budget consultation and Fairness and Equality Impact Assessments (FEIAs)

- 8.1 The budget proposals agreed by Cabinet in December have been consulted on through a range of stakeholder groups and formats which are as follows:
- With Trade Unions via the Employee Partnership Forum on 11 January 2018 (minutes included within appendix 1);
 - With all Scrutiny Committees in their January 2018 meetings where Members discussed the detailed change and efficiency programmes plus the MTFP. Their reports and conclusions are included in appendix 2;
 - With the Schools' Forum on 16 January 2018. Responses are included in appendix 3;
 - With the public from 21 December 2017 to 31 January 2018. An analysis of responses is included at appendix 4;
 - Newport Fairness Commission has reviewed the proposals in terms of their parameters of fairness – their response is included in appendix 4a;

In summary, there was a general acknowledgement of the financial pressures facing the Council. Whilst comments were made on a wide range of budget proposals, the main focus of comments was as follows:

Public Consultation

- 8.2 During the 2018/19 formal budget consultation stage 416 people were engaged, which is a 21% increase on the previous year (343 responses). This is thought to be as a result of an improved collaborative approach to consultation which was developed during consultation on the wellbeing assessment, which itself received over 5,000 responses.

- 8.3 During the budget consultation we have carried out a number of awareness exercises with the public, which included:
- A series of engagement activities connected to the Wellbeing of Future Generations Act work which has involved over 5,000 people.
 - Carrying out an awareness survey via the public Wi-Fi on Newport buses that reached 6,131 people.
 - Holding a budget event at the Newport Market attended by 47 people who interacted with council staff. Part of this included a budget presentation which was attended by 14 people, most of whom were parents of children with additional learning needs. The points raised in this event have been included in this report along with the education services proposals they relate to.
 - Holding service user meetings around particular budget proposals (adults and children's services). Around 75 people attended these sessions and their feedback is shown within the appendices under the relevant proposal.
 - Holding Ward meetings in Malpas, Shaftesbury and Allt-Yr-Yn.
 - Promotion via the media to all households using Newport Matters, Council Facebook & Twitter and Council Website.
 - Requesting partner networks to circulate details of the consultation e.g. One Newport Network, Partnership Engagement Group and Voluntary Sector Network.
 - Consultation with Newport Fairness Commission – their response is included as appendix 4a.

Equalities Impact Assessments (EIA)

- 8.4 In delivering its services, the Council has to be mindful of its duties to discharge its statutory obligations for Equal Pay, Disability Discrimination Act (DDA) and other equalities legislation including The Race Relations (Amendment) Act 2000 and the Equality Act 2006.
- 8.5 The council carries out an impact assessment to identify equalities issues across the breadth of the budget as part of the MTFP and annual budget setting process to inform spending decisions. As part of the budget process, equalities implications are considered for all budget proposals and an EIA is carried out by the relevant service manager, supported by the council's policy team.
- 8.6 Appendix 12 provides an overarching impact assessment as well as the impact assessment for all those new saving proposals individually listed in appendix 7, showing any issues, after mitigation, of any equalities issues that Cabinet and Council need to be aware of.

9 Risk and Performance

- 9.1 As part of setting the councils budget, key consideration is given to the risks the council faces and the improvement objectives that the council has put in place. The council maintains a corporate risk register and an Improvement Plan, this next section looks at these and identifies how they are dealt with currently in setting out the councils 2018/19 and medium term budgets.
- 9.2 The council maintains a corporate risk register which is regularly reviewed by the Corporate Management Team and Cabinet, as well as the Audit Committee from a procedural/ risk management framework viewpoint. The council's budget strategy

and MTFP framework needs to reflect risks and incorporate appropriate financial mitigation, where required. The corporate risk register and associated mitigation is included within appendix 15.

- 9.3 The impact of these challenges are reviewed as part of the financial monitoring process and through the corporate risk register both of which are reported regularly to the Cabinet, Senior Leadership Team and the council's Audit Committee.

10 2018/19 Proposed Council Tax

- 10.1 Following the final settlement which as previously highlighted included an improved grant position and an increase in council tax base funding, which has given a credit balance of £713k. Cabinet will decide on how this credit budget is to be utilised to give a balanced position.

The table below shows the available and required budget funding with a 4% increase in council tax. Cabinet will be aware that there has been a 4% increase implicit in our MTFP planning parameters and in the draft budget proposals. In setting council tax, the Council needs to be aware of the need to set a balanced budget.	
Council Tax at Band D at 4% (further 1% included within savings proposals)	£1,049.07
Budget requirement	£000
Base Budget 2017/18	266,372
Inflation & Re-pricing adjustments	3,523
Transfer from Reserves	(1,200)
BASE BUDGET 2018/19 (before investments/savings)	268,695
Budget investments – (£13,538k shown in list of pressures plus increase of £642k required in council tax benefit based on 4% council tax increase)	14,180
Budget savings (<i>including a 1% council tax increase on top of the base 4% assumed below</i>)	(9,464)
DRAFT BASE BUDGET 2018/19	273,411
Funding available	
Final WG Settlement	212,790
Current Council Tax at new tax base	58,975
Increased Council Tax @ 4%	2,359
Total	274,124
Balance available 'in hand'	(713)

- 10.2 Before Cabinet can recommend a budget to Council, it now requires decisions based on the figures shown in the above table. These decisions include:

- Delete specific saving items;
- Providing additional capacity within services;
- Fund new initiatives and policies;

- The level of council tax increase required to balance the budget. A 0.1% change in council tax equates to £47k. The current MTFP assumes a base increase of 4% and, in addition, a further 1% as a specific savings proposal, therefore the total increase on council tax for 2018/19 is 5%.

Cabinet will also need to make decisions based on how to allocate the £713k 'in hand'.

- 10.3 For contextual purposes, the table below shows the monetary impact of different percentage increases in council tax and current values at other Welsh Councils. Given the low starting point on Newport council's tax, it will still be lower than most (if not all) of the council's shown, even at a 5% increase and the actual monetary increases in tax are low in themselves. Newport City Council proposed tax increase will maintain its position as one of the lowest in Wales.

Percentage Increase	1%	2%	3%	4%	5%
Newport Band D Tax 2018/19	£1,018.81	£1,028.89	£1,038.98	£1,049.07	£1,059.16
Increase per annum	£10.09	£20.17	£30.26	£40.35	£50.44
Increase per week	19p	39p	58p	78p	97p
Comparison with existing Band D Council Tax (rounded)					
Current year (2017/18) before any increase					
NEWPORT	£1,009				
Caerphilly	£1,012				
Wrexham	£1,052				
Cardiff	£1,100				
Torfaen	£1,183				
Swansea	£1,208				
Monmouthshire	£1,183				

11 Capital Budget

- 11.1 The council's capital resources come from four main sources:

- Supported borrowing allocation from Welsh Government;
- Unsupported or "Prudential" borrowing;
- Capital receipts from the sale of Council owned assets;
- WG General Capital Grant / other external grants and contributions.

- 11.2 In reality, there is little difference between (i) and (ii) as they are both 'borrowing' and the council is required to identify a revenue budget to fund the financing costs that result from this type of capital expenditure (i.e. capital principle repayment – MRP, and interest charges).

- 11.3 2017/2018 marks the final year of the current four year programme. A new five year capital programme covering the period 2018/19 – 2022/23 has been produced and set out in appendix 8.

- 11.4 The current capital programme which finishes this year is forecasting to have spent £132,292m over the four years. Through Newport City funding, grant funding and S106 monies, as well as capital receipts the programme has enabled a number of

important projects to be developed and completed within the city which have aimed to improve the lives of the residents living and working in Newport.

- 11.5 The 2014/15 to 2017/18 programme has seen the commencement of the 21st century schools programme, with the Band A programme almost reaching its conclusion. This has allowed the building of the new Welsh Medium Secondary School - Ysgol Gyfun Gwent Is Coed, and the refurbishment of John Frost School. The scheme has also improved conditions within a number of schools across the City with the demountable replacement project as well as improving Special Education Needs provision with the building of a new autistic spectrum disorder (ASD) facility and the Maes Ebbw Special School expansion. Band A is also funding a new school at Caerleon Lodge hill which will continue into 2018/19.
- 11.6 Grant funded programmes such as Vibrant and Viable places have facilitated a number of ambitious schemes contributing to the regeneration of the city centre, such as the development of 123-129 Commercial Street, the Yates Hotel, Newport Market, the Kings Arms and the Potters as well as the Kings' Hotel Development. The programme has also been responsible for other schemes such as Super connected Cities which was finished in 2015/16. As well as the continued support for the ongoing annual programmes such as asset maintenance, fleet replacement and disabled facilities grants.
- 11.7 A number of schemes included in the new five-year programme are (i) existing, already approved projects expenditure slippage from 2017/18 and (ii) new schemes, not yet approved, with spending profiles predominantly in 2018/19 onwards but which, apart from one scheme, will have some small levels of expenditure in the current 2017/18 year. These new schemes require approval therefore as new 2017/18 schemes. Therefore it is recommended the following items in the table below are approved for addition in 2017/18 which subsequently supports the new programme.

Scheme	2017/18 £'000	Funding
John Frost School IT Replacement	330	Unsupported Borrowing (funded by school)
St Mary's RC Primary School Toilet Refurb	15	Schools Works Reserve
Landfill Cell 4 Development	20	Unsupported Borrowing
Decriminalised Parking	50	Unsupported Borrowing
Cardiff City Region Deal (City Deal)	2,376.5	Unsupported Borrowing
Total	2,791.5	

The above additions will increase the approved 2017/18 capital budget from £46,919k as reported in December Cabinet, to £49,710k. The City Deal is subject to further approval of the City Deal Business Plan and is therefore subject to potential change, and the new programme (plus 2017/18 contribution) is the latest modelled capital contributions that Newport Council would be required to pay.

Funding Envelope and Affordability

- 11.8 Given the on-going financial constraints on the council's funding, the HoF has recommended that the capital programme is developed within an 'affordability envelope' re: borrowing costs. In setting that envelope - an additional £250k has been added to the revenue MRP budget for each of the years 2019/20 and 2020/21 within the MTFP. This will provide additional capacity to the capital expenditure spend that could be afforded within the budgets available to fund new borrowing and

the programme was then developed within that total affordability envelope. It will need to be re-assessed periodically if the financial position changes.

11.9 Given the inevitable constraint this brings about and being mindful of the demand for capital expenditure, the following framework is recommended for the organisation in order to maximise expenditure but keep within the available revenue budget to fund new borrowing:

- Funding from sources other than borrowing needs to be maximised, by securing grant funding whenever possible and, maximising capital receipts
- Regeneration schemes would be funded from ring-fencing the capital works reserve only and Joint Venture funds. Other kinds of support through making of loans etc. would then be considered to support schemes, where it was needed and appropriate e.g. Mill Street offices development.
- Any change and efficiency schemes or schemes which save money requiring capital expenditure would be funded by netting off the savings achieved
- Schemes and projects which generate new sources of income would need to fund any capital expenditure associated with those schemes.

This framework ensures that the capital programme can be maximised but those schemes which cannot fund any resulting borrowing costs e.g. schools programme can themselves be afforded and maximised within the headroom available.

11.10 It should be noted that the capital programme will inevitably evolve and change as assumptions and council demands are updated.

11.11 The programme has been compiled with regard for the latest demands on the capital programme which include;

- Current known slippage against the 2017/18 capital programme
- Ongoing capital funded maintenance schemes
- Cyclical Fleet / equipment replacement schemes
- Schemes linked to the Corporate Plan
- One off Schemes resulting from Service area requirements / pressures
- 21st Century Schools – completion of Band A in 2018/19 and Band B from 2019/20

New Key Schemes

11.12 The new programme includes significant investment of £127m in a number of areas, this will enable the council to achieve a number of its objectives from the Corporate Plan. This includes investment in improving schools assets, assisting regeneration and economic development, increase waste capacity, and delivering civil parking enforcement. Further schemes will be added to the capital programme to support the Corporate Plan objectives as they are developed.

11.13 The key schemes which have been included within the next year's programme (shown in appendix 8) are as follows:

- 21st Century Schools Band B – Following agreement by WG in full at £70m over five years starting in the second year of the programme, 2019/2020. This is a challenge as the council will have to match WG funding by 50%.
- Annual Sums of £4.5m which are used to fund Asset Maintenance, Highways maintenance, GWICES, Telecare, Disabled Facilities Grants, IT replacement and Fleet.

- Peterstone Sewerage – £235k to provide and adopt a packet pumping station for the former council houses at St Peter’s Crescent.
- Landfill - £2.155m has been included within the Capital programme for the development of Cell 4 of Docks Way Landfill site. As recycling increases, it is also resulting in a new end of process waste (process fines) being produced in higher amounts which is only suitable for landfill.
- Up to £12m development loan for Mill Street Sorting Office.

11.14 As well as the known schemes above, included within the programme are additional estimates for the following schemes. This are subject to further approval of Heritage Lottery Fund (HLF) bids which are currently at the first stages;

- Market Arcade – To develop a large proposal to Heritage Lottery Fund to support the renovation of the Market Arcade, including its two entrances.
- Transporter Bridge – To carry out renovation works on the Transport bridge which will be funded partly by HLF at 90% and the rest be matched funded by the council.

City Deal

11.15 An estimate is currently included in the capital programme for the modelled contribution for Newport Council share for the capital expenditure for the Cardiff City Region Deal (City Deal). There are a number of models being discussed and the final outcome remains uncertain. The values in the capital programme will need to be updated in the future to reflect future agreed changes.

11.16 The table below shows a summary of the capital programme over the life of the programme and how this is financed. Further detail is shown in appendix 8.

	2018/19	2019/20	2020/21	2021/22	2022/23	TOTAL
	£000's	£000's	£000's	£000's	£000's	£000's
TOTAL VALUE OF SCHEMES	35,806	24,884	23,309	23,606	19,282	126,886
Funded By:						
General Capital Grant	2,469	2,469	2,469	2,000	2,000	11,407
Supported Borrowing	4,058	4,058	4,058	4,000	3,800	19,974
Unsupported/ Prudential Borrowing	19,541	6,880	5,886	6,711	6,482	45,500
Capital Receipts - remaining 21CS Band A commitment	3,066	0	0	0	0	3,066
External Grants - remaining commitment	5,153	0	0	0	0	5,153
External Grants - future forecast (21CS Band B)		11,111	10,786	10,786	7,000	39,682
Reserve Contributions	1,433	0	0	0	0	1,433
S106 & Other Contributions	86	196	110	110	0	502
Finance Lease	0	170	0	0	0	170
TOTAL FUNDING	35,806	24,884	23,309	23,606	19,282	126,886

MRP Policy

11.17 As part of the Treasury Management Strategy report for 2017/18, a change to the MRP policy in relation to unsupported borrowing was approved and implemented in 2017/18. Based on this method the charge for the 2017/18 financial year is £6,451k.

11.18 The new method of charging will be 2.5% straight line method (equivalent of 40 year asset life), and this is recommended for 2018/19 and dealt with in the ‘Treasury Strategy’ section of this report, below. The lower MRP charge and budget will need to be used for the ‘affordability budget’ for borrowing costs.

Capital Receipts

11.19 Capital receipts will continue to be a key element for funding the new capital programme. 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 £11m available. Of this, circa £9.3m is estimated to be required for the remainder of 21CS Band A up to the end of 2018/19 (c£6m for 2017/18 spend, c£3m for 2018/19).

11.20 Norse Property Services anticipate that a further £232k 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 Replacement Programme
	£	£	£	£	£
Balance b/f from 2016/17	10,132,291		10,132,291	9,299,734	6,384
16 Charles Street		250,000			
Cot Farm Circle		390,000			
Land at Corporation Road		100,000			
Oliphant Circle Garages		30,000			
Baneswell Nursery		100,000			
Land at Pill County Primary		16,000			
TOTAL NCC RECEIPTS	10,132,291	886,000	11,018,291	9,299,734	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.

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
Land at old Town Dock final instalment		1,000,000		1,000,000
Commitments earmarked this year				
- National Cyber Academy			(300,000)	(300,000)
- Contribution to 123/129 Commercial Street			(300,000)	(300,000)
- Info Station contribution to Cardiff University			(575,000)	(575,000)
TOTAL NU RECEIPTS	1,609,376	1,000,000	(1,175,000)	1,434,376

12 Treasury Management Strategy & Prudential Indicators 2018/19

12.1 The council is involved in two types of treasury activity:

- Borrowing long-term for capital purposes and short term for temporary cash flow;
- Investment of surplus cash

Within this, the overarching strategy is

- Limit the need to actually borrow cash by using the positive cash-flow the council has to fund capital expenditure funded from long-term borrowing, wherever possible, known as 'internal borrowing';
- Borrow and invest in the short-term to manage the shorter term cash-flow requirements of the council.

12.2 The borrowing and investment activities are controlled primarily via the council's Treasury Management Strategy and various measures and limits set via its Prudential Indicators to regulate/control the implementation of that strategy. These were reviewed and discussed at the Authority's Audit Committee on the 25 January 2018.

12.3 CIPFA requires local authorities to determine their Treasury Management Strategy Statement (TMSS) and Prudential Indicators (PIs) on an annual basis. This requires approval by full Council following a recommendation from the Cabinet. The TMSS also includes the Annual Investment Strategy (AIS) that is a requirement of the WG's Investment Guidance.

12.4 Our detailed Treasury strategies for 2018/19 are included in appendix 9. In addition, planned strategies to 2021/22 are also included, in line with the Council's four year medium term plan. Key points of interest are summarised below.

12.5 The strategy and indicators are based on the 2017 Prudential Scheme. This was updated very recently and the new scheme was published January 2018. The biggest change is the need to include a 'capital strategy', with changes beyond that limited to smaller issues and updates to Prudential Indicators. Given the late publication, WG have agreed that this would be fully implemented in 2019/20.

Treasury Management Strategy

12.6 The council's overall Treasury Management Strategy takes into account the current outstanding borrowing that it has due to capital expenditure incurred in the past and links this into the future expectations for the council around future capital expenditure to be incurred and future cash flows. As noted, the plan aims to limit new long term borrowing, wherever possible by using internal cash resources.

12.7 This Treasury Management Strategy highlights that the council has an inherent need to borrow and therefore the borrowing strategy discussed below is a vital part of the overall Treasury Management Strategy.

12.8 Due to the revenue implications of undertaking capital expenditure and the need to charge a Minimum Revenue Provision (MRP) for capital expenditure funded by borrowing, the strategy of the council is, where possible, to limit increases in the

capital expenditure financing costs in the MTFP. 2017/18 is the final year of our current capital programme and the next five year programme will be approved alongside this strategy at February's Council. The PI's for these are shown in the appendix to this report.

- 12.9 In summary the council is expected to limit the amount of new long-term borrowing over the short-term to a minimum, but in conjunction with advice from our Treasury Advisors, there will become a point where current borrowing will need to be re-financed, and a decision will need to be taken as to the appropriate timing of that borrowing.
- 12.10 The detailed Treasury Management Strategy is shown in appendix 9.

Borrowing Strategy

- 12.11 The council has significant long term borrowing requirements but in recent years, the strategy has been able to fund its capital expenditure from reducing investments rather than undertaking more expensive new borrowing i.e. using 'surplus cash', known as 'internal borrowing'. This is because the rates achievable on the council's investments are lower than the rates that would be payable on long-term borrowing and therefore this strategy is more cost effective. This borrowing strategy is recommended to remain over the foreseeable future in the current low interest rate environment.
- 12.12 In terms of the revenue budget, the council must ensure it sets aside sums to repay capital expenditure funded from borrowing (irrespective of whether the borrowing itself is undertaken externally or through dis-investing). This is done via the MRP. In addition, a budget is also needed to fund actual interest payable on loans taken out, which are based on predictions of actual external borrowing. Both are discrete budget lines in the council's overall revenue budget.
- 12.13 2017/18 is the final year of the current four year programme, and work has commenced on providing figures for the future programme from 2018/19 to 2022/23 which will be finalised alongside the budget report. Appendix 9 shows the estimated capital expenditure for the council over the medium term and is based on keeping capital expenditure funded by borrowing within the capital financing revenue budgets that are included within the MTFP. This means that there would not be additional pressure on the MRP budget from the capital expenditure funded by borrowing. An estimate has also been included for the capital expenditure that can be funded by reserves, capital receipts, grants etc. which will not impact on the level of the CFR or the MRP charge.
- 12.14 A paper on the future capital programme has been taken to Senior Management and a framework for future capital expenditure has been agreed for Cabinet's review and approval, which seeks to limit capital expenditure funded by borrowing to the current funding envelope we have for capital financing within the MTFP. This will mean that no pressure will be put on new borrowing in the future, other than that shown in the table below, which shows the inherent need to borrow for replacing maturing loans and pressure on 'cash balances' from reducing earmarked reserves, hence reducing the ability to be internally borrowed.
- 12.15 Local Authorities measure their underlying need for long-term borrowing through their 'Capital Financing Requirement' (CFR). This takes into account the amount of capital expenditure that needs to be funded through borrowing, (as opposed to external funding - from cash grants, capital receipts or S106 contributions for example)

irrespective of whether the borrowing itself is undertaken externally or through dis-investing.

12.16 The table below shows the estimated Capital Financing Requirement / New Net Borrowing Requirement position for Newport City Council for 2018/19 to 2020/21: (all figures are cumulative)

Newport City Council – CFR

	31.3.17 Actual £m	31.3.18 Estimate £m	31.3.19 Forecast £m	31.3.20 Forecast £m	31.3.21 Forecast £m
General Fund CFR	279.1	281.8	292.0	294.2	295.2
Less: Other debt liabilities *	(47.2)	(45.1)	(43.1)	(42.3)	(41.3)
Borrowing CFR	231.9	236.7	248.9	251.9	253.9
Less: External borrowing **	(211.7)	(146.1)	(144.7)	(103.2)	(100.9)
Internal borrowing	20.2	90.6	104.2	148.7	153.0
Less: Usable reserves	(107.2)	(86.3)	(76.9)	(73.2)	(70.6)
Less: Working capital	84.7	4.6	4.6	4.6	4.6
Investments (or New borrowing)	2.3	(8.8)	(31.9)	(80.1)	(87.0)

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

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

12.17 As the table shows, the inherent 'need to borrow' as shown by the CFR is predicted to be £87 million over the next four years. The CFR is expected to remain relatively steady over the next four years, as the capital strategy is to fund capital expenditure within the budgets of the current MRP, therefore keeping the CFR stable. The increase in the CFR is due to an anticipated capital loan to a company in relation to redevelopment in which the council will undertake borrowing to finance; this is similar to the treasury arrangements for the loan to Queensberry. The terms of loan will require full repayment of the loan four years following the anniversary of the first payment; this will reduce the CFR back to c£283m in 2021/22.

12.18 Given **current** borrowing levels a further c£20m long term borrowing is likely to be required during 2018/19. This is due to the expected capital loan and the level of earmarked reserves decreasing. However, the authority will be required to be flexible to borrow up to the Authorised Limit.

12.19 The authority will adopt a flexible approach to any borrowing necessary in consultation with its treasury management advisers, Arlingclose Ltd. The following issues will be considered prior to undertaking any external borrowing:

- Affordability
- Maturity profile of existing debt
- Interest rate and refinancing risk
- Borrowing source

Investment Strategy

- 12.20 The authority holds minimal invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the authority's investment balance has ranged between £0.6m and £96 million, the large balance being when the Council received the receipt from the sale of Friars Walk. In 2018/19, the level of investment is likely to decrease over time to align with the borrowing strategy of keeping new long-term borrowing to a minimum. However, due to the implementation of the second Markets in Financial Instruments Directive (MiFIDII), as highlighted in the Treasury Management half year report, the Authority will be required to maintain a minimum investment balance of £10 million. Whilst this puts a limit to the extent the council can be internally borrowed, it is a relatively small balance in the wider scheme of the council's cash-flows and borrowing and the strategy of being 'internally borrowed still stands.
- 12.21 **Objectives:** Both the CIPFA Code and the WG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses.
- 12.22 Given the increasing risk and continued low returns from short-term unsecured bank investments, the Authority aims to diversify into more secure and/or higher yielding classes during 2018/19.
- 12.23 **Approved Counterparties:** Whilst investment funds remain available and based on the treasury management advice from Arlingclose; the Authority may invest its surplus funds with any of the counterparty types in the table below, subject to the cash limits (per counterparty) and the time limits shown will invest in the following areas:

Approved Investment Counterparties and Limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	Not applicable	Not applicable	£ Unlimited 50 years	Not applicable	Not applicable
AAA	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA+	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA-	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
A+	£5m 2 years	£10m 2 years	£5m 2 years	£5m 2 years	£5m 2 years

A	£5m 13 months	£10m 2 years	£5m 2 years	£5m 2 years	£5m 2 years
A-	£5m 6 months	£10m 13 months	£5m 2 years	£5m 13 months	£5m 2 years
BBB+	£2.5m 100 days	£5m 6 months	£2.5m 2 years	£2.5m 6 months	£2.5m 2 years
BBB	£2.5m overnight	£5.0m 100 days	Not applicable	Not applicable	Not applicable
None	£1m 6 months	Not applicable	£10m 25 years	Not applicable	Not applicable
Pooled funds	Not applicable				

12.24 Investment decisions are made by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. Whilst the credit ratings score drives the approved listing, the day-to-day operational counterparties are generally limited to named counterparty listing as documented in appendix 9. However, where it is prudent to do so the Authority may also use other approved investments based on the approved credit ratings as documented in the table above.

12.25 A more detailed explanation of the different approved counterparty types are included in appendix 9 but for the sake of clarity, the Council's investment strategy will, as per the WG's Investment Guidance, give priority to security and liquidity and will aim to achieve a yield commensurate with these principles.

Minimum Revenue Provision (MRP) Policy

12.26 The MRP Policy is detailed in appendix 9. As per the Treasury Management half-year report brought to Audit Committee, it is proposed that the MRP charge for supported borrowing will be changed from 2017/18. This is in line with guidance and the policy attached.

Prudential Indicators

12.27 The council must establish certain 'checks' required by CIPFA to ensure that its Treasury Management Strategy is operating effectively. These are known as Prudential Indicators, and they will be reported to the Council on a six monthly basis.

12.28 Examples of our key indicators are noted below; again more detail is supplied at appendix 9

Net Borrowing/Capital Financing Requirement

The Council's net borrowing should not exceed its Capital Financing Requirements as outlined earlier. This ensures that borrowing is only used to finance capital over the long term. The Council does not note any difficulty in meeting this requirement.

Financing Costs to Net Revenue Stream

This ratio shows how much of the Council's total revenue budget is used for capital financing costs, as a percentage. The ratio for 2018/19 is 7.6%.

Timetable

The timetable for approval of the 2018/19 budget is as follows:

Cabinet agrees budget proposals as a basis for consultation	20 December 2017
Consultation period	21 December 2017 to 31 January 2018
Cabinet considers feedback from consultation and agrees final budget proposals for recommendation to Council	14 February 2018
Council approves the 2018/19 budget and council tax level	27 February 2018

Risks

Detailed financial risks are included in the various sections of the report and appendices where applicable

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?
Budget savings not delivered	M	L	(i) robust business case processes (ii) robust budget monitoring (iii) programme governance (iv) service planning (v) retention of reserves and budget contingency	Head of Finance/ Heads of Service
Budget savings not delivered on time leading to in year overspending	M	M	(i) robust budget monitoring (ii) programme governance (iii) retention of reserves and budget contingency	Directors / Heads of Service Head of Finance
Unforeseen Pressures	H	L	(i) retention of reserves and budget contingency (ii) robust budget review	Head of Finance Directors / Heads of Service

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

In drawing up budget proposals, due regard has been given to key Council policies and priorities

Options Available and considered

Taking a strategic and medium term view Cabinet should approve the four year change and efficiency programme as summarised in the MTFP, though they could approve 2018/19 proposals only. For 2018/19 Cabinet must agree a revenue budget and then the resulting council tax for Council. Cabinet have various options open to them on the detailed change and efficiency programmes contained within this report.

Preferred Option and Why

That Cabinet continues to approve a four year change & efficiency programme and the detailed projects over the four year period.

Cabinet must set a balanced revenue budget and recommend the related council tax amount required for this level of spending to Council.

Comments of Chief Financial Officer

The key financial issues are contained within the body of the report.

The Council's MTFP point to a continuing challenging financial outlook, in line with all Council's across the UK. Significant pressures on demand led services, alongside a reducing / standstill funding which makes up c78% of the overall Council funding requires significant savings to be made. At only c22% of the overall funding, council tax cannot provide the funding required to offset the above issues.

The approval of the new Corporate Plan brings with it opportunities to develop a more long term and strategic approach to meet this challenge. The key commitments within it will require additional funding in some areas and this is a key development to assess and build into plans, including the MTFP, over the Spring 2018. But, in addition, it provides an opportunity to agree such an approach and develop the change/efficiency plans to ensure the Council develops what and how it delivers services in the medium term future, supported by business plans to implement the agreed long term changes.

This should be done within the financial context shown by the MTFP to ensure the Council deliver sustainable services into the future whilst meeting the key objectives and commitments within the new Corporate Plan and supporting documents.

Comments of Monitoring Officer

The Revenue Budget Report has been prepared in accordance with the requirements of the Local Government Act 2003 and the Local Government Finance Act 1992. In accordance with Section 25 of the 2003 Act, the Cabinet must have regard to the advice of the Head of Finance, as the Council's Chief Finance Officer, regarding the robustness of the budget estimates and the adequacy of the financial reserves. This advice must be taken into account when considering the proposals in the Report and in making recommendations to Council regarding the budget and the Council tax rate. In accordance with the Functions and Responsibility Regulations, agreeing the overall budget and setting the Council Tax rate under the 1992 Act is a matter for full Council. Therefore, the recommendations of the

Cabinet will be subject to ratification and approval by full Council, insofar as they relate to the overall budget and Council tax proposals for 2018/19.

However, the implementation of the individual savings proposals within the MTFP are executive matters for the Cabinet, provided that they are in accordance with the general budget framework set by the Council before the beginning of each financial year. Therefore, Cabinet is able to approve the 4 year programme as set out in the MTFP, subject to future budget decisions.

Comments of Head of People and Business Change

The 2018/19 Budget and Medium Term Financial plan report gives Cabinet the opportunity to consider the implications and opportunities in the deployment of resource across a range of functions and services over the next four years. This is set against the backdrop of on-going financial pressure which has created a challenging environment. Staff have been impacted by changes to date in a number of ways and the Council now employs significantly fewer staff than it did five years ago. Inevitably there will be further staffing impacts as a result of financial settlement for 2018/19 and the extent of this will be finalised following the decision making process. All staff potentially impacted upon by this have been offered the opportunity to be consulted with and the relevant Trade Unions have made representations, contained within this report.

As part of the annual process in place a range of opportunities have been made available for the public to express their views and again these are included in the report for the consideration of Cabinet. Views have been gathered through face-to-face sessions, Ward meetings, via email, letter and petition and via the on-line consultation pages.

The Local Authority is required to ensure it considers the impact of decisions made today on future generations. This has been done through the expanded use of the Equality Impact Assessment process. It should be noted that this is becoming ever more difficult to do in the wake of on-going reductions in funding.

Comments of Cabinet Member

The Cabinet Member for Finance and the Chair of Cabinet confirm that they have approved this report.

Local issues

The budget proposals as shown affect the city as a whole although some specific proposals may affect certain localities more than others.

Scrutiny Committees

Comments from Scrutiny Committees are included in appendix 2 of the report

Equalities Impact Assessment and the Equalities Act 2010

The detail of Equalities Impact Assessment undertaken is included in appendix 12 of the report.

Children and Families (Wales) Measure

All proposals have been consulted on widely, as required.

Wellbeing of Future Generations (Wales) Act 2015

The Wellbeing of Future Generations Act 2015, which came into force in April 2016 provides a framework for embedding sustainable development principles within the activities of Council and has implications for the long-term planning of finances and service provision. The business cases used to develop savings proposals include specific linkage with Future Generation Act requirements of the “five ways of working”. These pose the following questions:

Integration – *How does this proposal contribute towards the objectives of the key strategic documents of the Council i.e. Newport 2020, Corporate Plan, Single Integrated plan, Improvement plan etc.*

Long Term – *How does this proposal ensure that the short term and long term requirements are balanced in line with our key strategic plans. I.e. Newport 2020, Corporate Plan, Single Integrated Plan, Improvement Plan.*

Prevention – *How does this proposal prevent future problems occurring or getting worse in trying to meet our objectives.*

Collaboration - *How does this proposal demonstrate that we are working in collaboration either across the organisation or between organisations.*

Involvement – *How does this proposal involve key stakeholders in the development and implementation of this proposal.*

Similar revisions have been made to report templates and the Fairness and Equality Impact Assessment format.

The Well-being of Future Generations Act has involvement as one of the five ways of working under the sustainable development principle. Involvement in the development of this budget has included a four week period of public consultation and consultation with Trade Unions via the Employee Partnership Forum, with all Overview and Scrutiny Committees, with the Schools’ Forum, with the Council’s Fairness Commission and with representatives from the business and voluntary sector.

Crime and Disorder Act 1998

N/A

Consultation

Wide consultation on the budget has been undertaken, as outlined in section 8 of the report and within the appendices.

Background Papers

Dated:

Minutes



Employee Partnership Forum

Date: 11 January 2018

Time: 10am

Present: Councillor D Mayer (Chair), P Cockeram and Cllr Giles

R Davies (HR Manager), S Morgan (Chief Education Officer), B Burns (Health & Safety Manager), M Rushworth, (Head of Finance) A Garwood-Pask (Senior Finance Business Partner)

Union Reps:

R Hayward, R Dawkins (GMB), I Reese, P Garland (UNISON), M Rowland (ASCL), G Hawsworth (NASUWT), R Hughes (NAHT)

1 Apologies for Absence

Councillor G Giles, D Weare, T Wright, R Lewis, R Cornwall, A Every, D Rees, S Lock

2 Declarations of Interest

None

3 Minutes of the Last Meeting: 12 October 2017

Agreed:

That the minutes were agreed as a true record.

Matters Arising

Item 6 Pay Policy for Schools

Minutes to be corrected to read 'NASUWT formally objected to the lack of a 2% raise for teachers'.

4 Staff Code of Conduct

The HR Manager introduced the Staff Code of Conduct. A change had been made to the content to reflect the new Council values - Courageous, Positive, Responsible.

The NAHT Representative referred to Section 2.4 'Financial Inducements, Gifts and Hospitality' and asked for clarity for schools and teachers on acceptance of Christmas gifts. These should be dealt with by the individual Headteacher.

Under Section 4.5 (Social Networking Websites) the NAHT Representative asked what action the Council would be taking to support staff who were being abused via social networking. The Cabinet Member for Social Services was aware this was an issue for schools where parents had made comments on Facebook about individual teachers and there was a need to support and reassure the staff concerned.

The HR Manager referred to the Council's separate social media policy which would provide more specific support information on this issue. It was due for renewal soon but the HR Manager would accelerate the review process consulting with unions on the content and promoting as widely as possible in the Council newsletter, staff induction etc.

The Chair suggested signposting in Section 4.5 to the Council's Social Media Policy and reviewing the document to determine if there were opportunities to link other sections to the relevant Council policies.

Agreed

1. The Employee Partnership Forum agree the staff Code of Conduct.
2. The HR Manager to bring forward the review of the Social Media Policy consulting with Unions to go through the content.
3. The HR Manager to insert headers in the Code of Conduct to the relevant Council policies, (eg the Social Media Policy under Section 4.5)

5. Health & Safety Update

The Health & Safety Manager referred to the Health & Safety Update which had been circulated for information.

The GMB Representative (RH) had received a couple of calls from staff in relation to stress risk assessments. The employees had been invited to come in to undertake a stress risk assessment whilst on sick leave. This was felt to be punitive. There was an understanding that the assessment needed to be undertaken but not whilst the employee was on sick leave as this would lead to more stress and anxiety. The GMB representative (RH) suggested there should be better ways of managing the situation such as a combined appointment with Occupational Health or a discussion with the individual on their return to work.

The Health & Safety Manager understood the concern of the Union and that it was not the intention to call an employee in from sick leave to undertake a stress risk assessment. Each case would be looked at on an individual basis. The aim of the stress risk assessment was to get them back into the role not to cause further stress and anxiety. The Health & Safety Manager noted that

stress risk assessments do appear to work in terms of supporting people and giving them the additional level of care that they need.

The GMB representative (RH) concurred that that was the advice she had given her member and that she would contact the EPF if there were any further instances of staff being called in from sick leave to complete a stress risk assessment.

The NASUWT Representative (RT) suggested schools should be treated differently. He was aware that one member of staff had been invited to attend a meeting whilst on sick leave and was worried the pupils would approach them asking for details. If the location was not appropriate neutral ground should be offered for any meetings.

The NASUWT Representative (RT) asked if it was possible for staff to make self-referrals to Occupational Health. The form is usually completed by the Manager but there is nothing to prevent an employee asking to be sent to Occupational Health. The Health & Safety Manager noted that it was important for the line manager to be aware of what is going on. Employees would be supported to refer to their line manager if that was what was required. The GMB Representative (RD) suggested that self-referrals allowed employees to put issues in their own words rather than explaining it to their manager who would then write it in their own way. Also sometimes the stress might be caused by the manager so it was important to have an alternative route to follow.

The GMB Representative (RD) asked if teams had Health & Safety on their meeting agendas to which the Health & Safety Manager replied they should have. The GMB Representative (RD) also mentioned perhaps incorporating the new values as a standard agenda item for team meetings. It would be a wonderful opportunity to get the new values across.

The UNISON Representative (IR) asked if there were figures available on stress risk assessments and self-referrals. Health & Safety had figures on stress assessments but not self-referrals. The figures on the stress assessments and any other relevant figures would be brought to the next meeting of the EPF.

The HR Manager agreed to look at better promotion of managing stress in work via the staff bulletin etc. She explained that Beth would not be at the next EPF as she would be leaving on maternity leave. An appointment of an interim position had taken place. The Chair congratulated Beth on behalf of the Group and wished her all the best for the future.

Action

1. The Health & Safety Manager to arrange for figures on stress risk assessments to be brought to the next meeting
2. The HR Manager to look at ways to better promote the management of stress amongst the workforce.

6. **Items Raised by Union Representatives**

Pay Offer for Council Employees (UNISON)

The UNISON Representative (PG) re-iterated that the pay offer should come from central government and not be funded by cuts to services.

The GMB Representative (RH) suggested combining Pay Offer for Council Employees (UNISON) and NJDC Pay Claim (GMB) as they were one in the same thing.

The GMB Representative (RH) had received information from the national employers and the GMB would be balloting all public sector employees January/February 2018 as to whether or not to accept the offer based on a staggered claim. Any offer was appreciated. There was an understanding that it had to be picked up by central government and also the burden on local government but pay had gone down in real terms.

The Cabinet Member for Social Services also noted that there was a discrepancy across Councils as well and that nationally this should be sorted out.

The HR Manager said she had contacted the GMB about the Equal Pay Audit, three years on from Job Evaluation. She will report back to the group in April.

Action

1. HR Manager to report back to the EPF in April 2018 on the outcome of the Equal Pay Audit.

Budget Implications (GMB)

The HR Manager explained that this Forum gave the opportunity for all unions to contribute to the process and the formal minutes of this meeting would be used as part of the process.

The GMB Representative (RH) expressed concerns around social care and the cuts. It was understood that Newport City Council was in a situation not of their own making with central government passing the problem to the Welsh Government and then onto local government. Hopefully there would continue to be conversations with members to see if there were alternatives. Potential outsourcing of domicile care should be considered very carefully as it has cost other local authorities more. The only way the private sector can meet decreasing budgets is to reduce member's terms and conditions.

The Cabinet Member for Social Services responded that the Council had been creative but two companies had pulled out and 1000 hours of domicile care had been lost. All Councils were struggling to put care packages together but if the Councils could work together it would be more effective.

The GMB Representative (RH) noted it was important to look at on costs as well as unit costs as they were added on. Private sector will not have the same central costs which added on to that.

The UNISON Representative (PG) added that he had members working in the private sector with conditions such as travel between minimal call times, 14 hour days, zero hour contracts. It must be appreciated that the difference in costs was down to the treatment of staff. The Cabinet Member for Social Services noted that every council tender now specifies that contractors pay employees travel costs, sickness and holidays.

The NAHT Representative raised the issue of a number of schools running at deficit budgets. The Head of Finance answered that Individual school funding figures would be produced February/March 2018. It was then up to the individual schools to match funding. This year they were set higher. The schools were drawing down on reserves. There was a £3m reduction in schools resources this year. It was not possible to say if there would be any extra money from government EAS as there had been in recent years. The Secondary school sector was particularly challenged. It was incumbent next year for schools to operate in an incredibly challenging environment as they would be using reserves. The situation would have to be assessed when that information comes to light.

The ASCL Representative stated that the schools usually get indicative budgets after the February half term. If the school needs to declare voluntary redundancies that time scale is critical to meet the process for the 31 August deadline. School had still not received any LEA money relating to grant funding from this year. The NASUWT Representative was aware of at least two schools which required an overdraft to bail out budgets.

The Head of Finance did not currently have the details regarding numbers of schools in deficit but believed there may be around 7 schools in this situation. Some schools may have a licensed deficit but it was difficult to see it coming to an end. The ASCL Representative noted that the difficulty was that the schools were required to set their budgets by 31 March but the figures were not available until mid-April.

The Head of Finance asked that if any individual unions had particular issues they wished to feed back on the papers would be drafted at the end of January 2018 so needed to be with Finance by then. Minutes of this meeting would be included for Cabinet consideration. Any feedback should be submitted by the last week of January to allow time for the Cabinet to consider.

Sleep-in Shift Pay Compliance Scheme (GMB)

The GMB Representative (RH) asked for an update on Newport's position with regards Sleep-in Shift Pay. The stance was to await the outcome of the MENCAP case. At the moment Newport pays above the minimum wage so would need to report to the HMRC but waiting for outcome. It affects around

30/40 members of staff. The deadline was 31 March 2018 for companies not paying national insurance.

The Cabinet Member for Social Services noted that previously sleep-ins were sleep-ins with a low level of care but now in many cases sleep-ins were not sleep-ins but working nights with sleep disturbed so that question should be asked – is it safe?

Working Time Directive: Daily Rest Period

The GMB Representative (RH) informed those present that a small number of members had been informed that the break from the end of shift of work to the start of another was 9 hours and not 11. They had been informed that this was council domestic policy. However, the EU Working Directive surpass this. The GMB Representative to raise with Heads of Service at the JCC on Monday 15 January 2018.

The Health & Safety Manager asked the GMB Representative to let them know outside the meeting of the instances where this was happening so the issue could be addressed.

7. Dates of Next Meetings:

- 10.00 am on 19 April 2018 in Committee Room 1
- 10.00 am on 19 July 2018 in Committee Room 1
- 10.00 am on 18 October 2018 in Committee Room 1

Employee Partnership Forum: Action Sheet

Item	Subject	Action by
4) Staff Code of Conduct	The HR Manager to accelerate the review of the Council’s Social Media Policy, consulting with the Unions on content.	Rachael Davies, HR Manager
4) Staff Code of Conduct	The HR Manager to arrange for a signpost to be inserted in the Staff Code of Conduct to the Social Media Policy and to insert other signposts in the document to any relevant Council policies.	Rachael Davies, HR Manager
5) Health & Safety Update	The Health & Safety Manager to arrange for statistics on Council stress risk assessments	Beth Burns, Health & Safety Manager

	to be brought to the next meeting.	
5) Health & Safety Update	The HR Manager to investigate better ways of promoting the management of stress amongst staff.	Rachael Davies, HR Manager

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Overview and Scrutiny Management Committee – 1 February 2018

Comments to the Cabinet - Budget process and Public Engagement

Budget Process

Long Term Strategic Planning

The Committee recommends that the Council puts in place a long term strategic approach to budgeting, and highlights the importance of the bringing the medium and long term financial planning in line with the Corporate Plan and demands from government legislation.

Within this strategic approach, it is **recommended** that the Council should set out:

- How the strategic budget plan would support the Council in meeting the statutory obligations under the Wellbeing of Future Generations (Wales) Act;
- How the strategic budget plan will accomplish the aims and objectives set out in the Corporate Plan;
- The financial planning should take into account new and existing partnerships and how the Council will work collaboratively;
- How the stakeholders, communities and citizens in Newport are engaged throughout the process.

Reviewing what information is presented to the public

In considering the specific proposals, both of the Performance Scrutiny Committees raised the issue of insufficient information within the business cases that were published for public consultation.

The Overview and Scrutiny Management Committee **recommends** that in future years, a robust process be put in place to ensure that the business cases contain more consistent information to reflect how the savings would be made, and contain all of the information that a member of the public would need to fully understand the impact of the proposal.

Contingency planning

The Committee discussed contingency planning with the Officers and were informed of a £1 million pound contingency within the budget, to account for any unforeseen budget pressures during the year. Members commented that it was difficult to assess whether this amount was sufficient, as it was not clear how this this million pound each year is calculated.

Overview and Scrutiny Management Committee – 1 February 2018

Comments to the Cabinet - Budget process and Public Engagement

The Committee **suggests** that the Cabinet ensure that a robust contingency plan is in place for the medium to long term, to review regularly whether this amount is sufficient in the short to medium term.

Achievability

The Committee commented on the need to ensure that savings are achievable at this stage of the process, to ensure that it does not have a negative impact on the Councils ability to deliver within its budget next year. The achievability of annual savings needs to be better evidenced in the proposals and the impact outlined if the savings are not made. The Officers assured the Committee that the savings had been delivered at 90% within this year's budget, and that this was not an area of concern.

Whilst acknowledging these assurances, the Committee comments that there is a risk for the Council if these proposals are not achieved. The Performance Scrutiny Committees have commented that the information within the business cases were often insufficient to fully understand how some of the proposals were to be achieved.

The Committee **recommends** that this risk should be closely monitored if these decisions are taken and implemented, to mitigate this risk of unachieved savings impacting on next years budget.

Overview and Scrutiny Management Committee – 1 February 2018

Comments to the Cabinet - Budget process and Public Engagement

Public Engagement

Public Engagement Process

The Committee discussed how the public consultation should be an all year round process rather than limited to the statutory consultation in the December / January period on proposals that have already been fully developed. By allowing the consultation to be held all year, citizens would be able to contribute to all stages of the development and implementation of the savings.

Performance Scrutiny Committee's recommendations highlight for that several of the business cases, the people who would be directly affected by the proposed savings were not consistently and adequately consulted upon prior to the proposals being developed.

The Committee **recommends** that in future years, the Council;

- Ensures that in depth consultations are held with those most affected by the proposals are completed prior to the proposals being fully developed and published in December / January. Work to identify effected groups should be done at the earliest possible opportunity to ensure those effected can be included in the development when a proposal is being considered.
- Develops the plan for public engagement on savings part of a wider strategic budget plan, to think more long term and strategically about how the public can be involved.
- Works towards making consultation on the budget proposals more meaningful through making it an ongoing, yearlong process rather than consulting at the end of the process when the proposals have been developed.

The Committee **recommends** that more is done to consult with the employees working in the areas that the savings are made. Utilising their knowledge and expertise in these areas could assist with identifying and potentially minimising any impact / risk within the proposals.

Overview and Scrutiny Management Committee – 1 February 2018

Comments to the Cabinet - Budget process and Public Engagement

Feedback to consultees

The Committee **recommends** that mechanisms to provide feedback to the participants in the consultation be developed and implemented.

The Members felt that it was important that the information was provided in a number of different mediums to ensure it was available and accessible to all. The information should inform the consultees how the proposals had been informed by the information gathered during the consultation.

It is suggested that this could be achieved through holding a public forum at the end of the consultation period, and invite stakeholders and consultees to attend. A detailed press release could also be used as a feedback tool, providing it summarised how the results of the consultation had been used.

The Committee were advised that the results of the consultation would be reported to the Cabinet. It is **recommended** that this report is made public, and provided enough information for the Cabinet to analyse and inform the decision on the proposals.

Public Accessibility

The proposals were not easily accessible to members of the public in this year's budget consultation. The Committee commented that the information was not presented in the most effective way to encourage public participation:

- The online presence of the consultation - The Committee stated that it was difficult to find the proposals, and the form was onerous to use. The form could be simplified and better signposting to the consultation on the website.
- Newport Matters advertisement for the consultation was small and easily missed. Members felt that this could have been more effectively utilised and was important element in encouraging participation as it went to every household in Newport.

The Committee **recommends** that this is looked at for next year's budget round and that this made easier for the public to access the information and comment on the proposals.

Overview and Scrutiny Management Committee – 1 February 2018

Comments to the Cabinet - Budget process and Public Engagement

Strategic Planning of Public Engagement

The Committee felt that the Council is not moving up '*the hierarchy of engagement methods*' of citizen involvement and this year's budget consultation process was still at the inform / consult stage. (*Discussed by the Overview and Scrutiny Management Committee at its meeting on 28 September 2017 report ['Budget Consultation and Engagement'](#).*)

The Committee **recommends** that as part of the medium and long term planning, the Council should outline how it plans to develop citizen engagement and move from the inform/ consult stages, more towards involvement and collaboration models.

Developing How the Council Engages

Different ways of presenting the consultation was discussed and how a '*budget simulator*' had been used in another Local Authority, and explored as an option within Newport. This involved asking the public to effectively look at options for balancing a budget – to prioritise and select one area / proposal over another.

The Committee **recommends** that alternative methods of engaging with the public are explored for next year and whether more could be done to increase the range of demographics who respond to the consultation.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

Comments to Cabinet on following Proposals:

EDU181902 - Consolidation of the Educational Psychology, Additional Learning Needs, and Specific Learning Needs Teams into a 'Inclusion Enrichment Team'

The Committee felt that there was insufficient evidence in this business case to fully understand how the savings would be achieved. The Committee received explanation from the Head of Service as to how this would work in practice; however this level of detail should have been included within the business case, so that the public have an understanding of the potential impact of the proposal.

Highlight the risk of this proposal:

- This proposal will increase the pressure placed on schools without any additional funding or resources, and will likely have a negative impact on the young people needing to use this support.
- Move to a cluster approach - unclear how the clusters will operate, and how the resources will be allocated to each cluster, which makes it difficult to fully understand the impact of the proposal.
- Indication from the officers was that the face to face contact with pupils will decrease and the proposal looks to empower the school based staff to take over this role. There is a risk that too much is being expected of the teaching staff to provide effective oversight of all of the potentially complex issues for that individual child, whilst managing the needs of the whole class.
- This presents a risk to young people who could potentially be missed if the impact of this proposal is a reduction in service. This would have an impact on their opportunity to engage within work and training.

The Committee acknowledges the mitigation outlined to provide training to support the teachers and schools to enable school based staff can support their pupils in their own learning environments. However, the Committee concerned that this mitigation may not fully address the risk for the following reasons:

- Concerned about the capacity of the remaining staff within the clusters to provide training for schools on a large scale;
- As its unclear how the cluster approach will operate – therefore it's also unclear whether there is capacity within these clusters to deliver this training;
- Unclear who within the new team will be responsible for training, and the timescale of when the training will be provided to the schools;
- The time that this will take to roll out the training could mean that there is a substantial gap in provision in the short term.

The Committee recommends that if this proposal is approved, that the implementation of this is carefully monitored, and that this is reported to the Performance Scrutiny Committee – People on a regular basis, with detailed information in the impact on these young people.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

EDU181904 - Re-modelling of the Pupil Referral Unit

The Committee felt that this saving was not accurately set out in the business case. The Head of Service provided additional information; the Committee agreed that this should have been included in the business case to inform the public of the potential impact, risks and mitigations in place.

Highlighting the risks of this proposal:

- The proposal will increase pressure on schools without any additional funding or resources and could have a negative impact on the young people accessing the PRU in its current state;
- The staff and teachers are being asked to undertake additional roles and responsibilities, which might impact on their health and wellbeing. As well as their ability to provide a continued high quality service to all the young people;
- The young people, who would normally receive additional support from the PRU, are now at risk of losing this support, increasing the likelihood of them dropping out of education and becoming NEET (Not in Education Employment or Training);
- The detail about satellite provisions was missing from the business case, as was their impact on the communities where they are based;
- The impact on the young people in mainstream school when the young people from the PRU are placed in a mainstream environment.

The Committee welcomed the mitigations outlined in the proposal, but were concerned that the mitigations were not enough. They explained that there might be an accumulative affect from increasing the numbers of young people in need of support, and the transition period of the Educational Psychologists and ALN team training and upskilling the teachers and school staff.

The Members felt that the claim of a saving of £485k was misleading. The net saving claim of £485k is incorrect as this money is being moved into the Individual Schools Budget to fund the SEBD School. This proposal will make no financial saving.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

CFS181901 - Review of Oakland Short Break Service

The Committee had concerns about the impact of this proposal on disabled children and their families, based on the information presented in the business case. The Head of Service provided context to the review and additional information on alternative provision that would be explored to ensure that the needs of the children and their families are met. Information on this alternative private and third sector provision should be included within the business case to enable the public to fully understand the impact of this proposal as it gives a context to the proposed review.

Within the 'Impact on Citizens' section of the business case, the impact on service users was not sufficiently stated, simply stating that '*support for families with disabled child will be reduced.*' This does not give a full picture of what the impact will be. Within the options considered section of the business case it stated '*for some children there would be a reduction in the offer within their package of care*'. This again does not give a full explanation of what this reduction would be and how the impact will be mitigated.

The Committee received assurances that the families and the children currently using these services would be consulted and their views used to shape the reformed service. This was to happen should the Cabinet adopt this proposal. It was noted that this could be misleading as the decision to reduce this service from 7 days to 5 days service would have already been taken, therefore limiting scope of the input from the families.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

CFS181904 - Restructuring of the Funding within Prevention Services

Preventative services is not an area that the Council should be reducing. It is fundamentally against the intention of the Wellbeing of Future Generations Act to act to prevent problems occurring or getting worse, and balancing the short term needs with the need to safeguard against the ability to meet long term needs. The Committee understands the rationale behind this proposal, in that it is not a statutory service and there are limited options to making the necessary savings whilst protecting statutory services.

However, the full impact of reducing this service should be fully understood if the proposal is to be adopted.

The Committee had specific concerns regarding the following:

- ' Unclear how the savings of £311,000 will be made, other than a direct reduction of staff by 4 FTE. As such, there are concerns about how achievable this proposal will be as there is insufficient information in the business case to assess this.
- ' Title of the proposal does not accurately cover the nature of the proposal, as the recommended option (option 3) directly reduces the services offered.
- ' The savings made here will directly increase the other costs in other parts of the Council, most acutely Education and Children's Services. The cost of this has not been factored into the potential savings.
- ' Although this is not a statutory service, making reductions in this service will impact upon the statutory services budgets, as it will increase the demand for statutory services in the longer term.
- ' The prevention service is a core element of working with families in such a way to prevent future problems. Concern that reducing this may increase the risk for Children who would previously accessed preventative services, in that they could miss out on early interventions before issues escalate to the level for a children's services referral. Some of the Committee felt that this presented a safeguarding risk.
- ' No mitigations were outlined for this proposal – the explanation for this was that there was nothing that could be done to mitigate as it was a direct reduction in service.
- ' Very concerned about the impact that has been outlined in the business case, in particular:
 - o *'...a potential restructuring of the Families First Grant could lead to a reduction in opportunities for third sector organisations'* – direct impact on the alternative / complimentary provision from the third sector.
 - o *'Preventions, CANs and young Carers all have waiting lists for service so any decrease in funding would increase the gap in provision'* – there is gap in provision already, this proposal would exacerbate this issue.
 - o *'Greater number of referrals to children's services'* – direct impact on future budgets of statutory services within Children's Services.
 - o *'Reduced capacity in schools for support'* – direct impact on pressures of schools staff.

The combined effect of these would significantly impact upon the lives of the children involved.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

Comments to Cabinet Members for following proposals

CFS181902 - Integrated Family Support Team Restructure

There had been significant changes to this proposal since it had been issued for consultation in December. The progress made had caused a dramatic decrease in the number of staff impacted on by the proposal and also the implementation costs that are required to carry out the proposal.

The Committee commented on how the business case was not fit for consultation in its current form and any recommendations made might not accurately represent reality.

It was noted by Members that that no linkage with the Well-being of Future Generations act were included in the business case and this might not be the case as it directly impacts on families and young people.

CFS181913 - Reduction in expenditure on placement for Looked After Children

The Committee felt that there was not enough information or detail in this business case including:

- Increase in pressure for out of Authority placements in Education. No further information on the extent of this impact.
- *'This proposal will need to link to an invest to save proposal to crease a small amount of capacity within Children's services to first undertake a concentrated review of the current provision'*. The investment required section is then left blank so no further details about the required investment.
- The Proposal states it will reduce the spend on placements – but it doesn't explain how this will be achieved other than through reviewing the service. It is unclear how a figure for savings can be estimated before the review has taken place.
- Proposed savings – how have these been calculated, what number of placements would this reduction represent, and how are you sure this specific number of placements can be reduced before the review has been undertaken.
- In the Risk information – states that *'The risk is simply that because of external demands and increasing complexity in the children being cared for that we will be unable to achieve this saving.'* – no mitigations to explain how this risk will be managed and what the likelihood of this happening.
- Insufficient evidence of the Well-being of Future Generations act being taken into consideration.

The Head of Service provided some explanation on how the savings would be made. To achieve meaningful consultation the additional information should have been included in the business case to give the public access to all of the information.

Performance Scrutiny Committee - People - 23 Jan 2018

Comments on Draft Budget Proposals (People Directorate):

ACS181903 - Review of the Domiciliary Care Service

The Committees greatest concern was around the lack of mitigations for the contract failing and the impact that this would have on the people who are receiving care. They felt that other mitigations needed were not set out in the business case.

Not enough information and detail was provided in the business case, most importantly included the number of residents that the proposed saving would affect.

Another risk the Members highlighted that was not adequately mitigated in the business case was the continuity to care of the service users and their families.

With all of the missing information the Members agreed that it would be hard for the public to be fairly consulted on this in a productive manner as their responses would not be fully informed and would lack the depth of understanding needed for such a delicate subject.

ACS181904 - Re-provision of Supported Living Service

The Committee supported his proposal but feels that the implementation needs to be sensitively managed to limit the impact on the service users and their families.

ACS181907 - Reduction in Adult Budget

The business case does not provide sufficient information on the impact it will have on service users or what mitigations have been established.

The Committee discussed the lack of Well-being of Future Generation act information in the business case simply stating '*...the Future Generations Act 2014 requires that the City Council makes the right services available at the right time*'. This does not state how this proposal fits in with this, or mention any of the other aspects of the act.

Fees and Charges – Social Services

The Committee commented that the issue of fees and charges not being reviewed or increased for a number of years appears to be an ongoing issue.

The Committee recommends that the Cabinet ensure that each year the service areas undertake a review of the charges to ensure they are accurate each year. This would ensure that the costs area accurate, that the authority is in line with other Authorities and to stop large increases in subsequent years.

Performance Scrutiny Committee - Place & Corporate - 22 Jan 2018

Comments on Draft Budget Proposals (Place & Corporate Directorates):

Note: The Head of Service was unable to attend the Scrutiny Committee due to an emergency. The Committee understood this, and wished to thank the Officers within Street Scene who had to cover the meeting at very short notice.

As these Officers were not the owners of the business cases, there were naturally some questions from Members that they were not able to answer. This is reflected in the comments as the Committee felt unable to draw conclusions on the achievability, impact and risk of some of the proposals, as the information within the business cases was not sufficient.

Comments to Cabinet on following Proposals:

SS181902 - Closure of Public Conveniences

The Committee had concerns that the Business Case was not complete as:

- The impact of this proposal upon disabled people was not sufficiently mitigated in the Business Case;
- The Business Case did not contain information regarding usage or consultation with users, particularly those with access issues such as disabled or elderly users;
- How near and the location of alternative facilities needed to be identified and signposted and Members suggested this could be done via Maindee Unlimited /other businesses / Business Improvement District partners;
- There was no evidence in the Business Case of what potential solutions other Cities or neighbouring local authorities have used to address similar issues to those identified in the business case, and the rationalisation and identification of alternative provision in the community;
- With the recent City Summit in mind, this proposal was not conducive with the growth and development of Newport and attracting visitors, as it was the view of the Committee that this proposal would have a negative impact on the image of the city;
- Need to develop Business Cases to fully explain the impact on citizens, and what consultation has taken place. It would be beneficial to engage earlier in the development of proposals in future to ensure meaningful involvement when developing the proposals.

Performance Scrutiny Committee - Place & Corporate - 22 Jan 2018

Comments on Draft Budget Proposals (Place & Corporate Directorates):

WS181904 - Reducing telephone and face to face services within Customer Services

The Committee had concerns about:

- The Loss of 0.88 FTE face to face contact and the impact on users as a result.
- Issues regarding moving people online from face to face or telephone contact including:
 - Computer literacy / those unable to access computers ;
 - The difficulty of navigating the Council website;
 - The City free WiFi is inconsistent and crashes a lot.

In order to mitigate the impact upon citizens, the Committee suggested the exploration of:

- Live chats and ring back service as offered by other call centres;
- Assistance in libraries for citizens to access computers, and;
- The potential for sharing call centre resources with a partner e.g. Newport City Homes.

SS181905 - Introduce parking charges within city parks

The Committee welcomed the investment in Belle Vue Car park, but had concerns that the Business Case was weak due to the lack of evidence of consultation with users particularly on the pricing structure. Furthermore, the current business operator located in the park had not received the correct information.

The Committee recommended that:

- More detailed consultation and communication with existing regular users be undertaken urgently before introduction and particularly on pricing strategy, eg. for event customers, Bowls Team tournaments, etc.
- The rollout of this proposal to other parks be removed from this proposal and when necessary, should be the subject of future separate fully costed and consulted upon business cases / proposals.

SS181901 - Composting at Docks Way

The Committee welcomed this proposal to make a saving and bring the service in house.

Performance Scrutiny Committee - Place & Corporate - 22 Jan 2018

Comments on Draft Budget Proposals (Place & Corporate Directorates):

SS181903 - Review of Back Office Cemetery Operations and facilities in some parks

The Committee noted that there is information that is not included within the Business Case, namely:

- The impact on citizens is not accurately reflected - under the new arrangements an enquiry by a member of the public making about burial records for the City's cemeteries would be dealt with centrally via telephone or an appointment in the Civic Centre. This would present a change to the current provision, and as such would have an impact on citizens, not being able to access the burial records at the respective cemetery that the relevant grave is located.
- Within the summary in the Business Case, it is indicated that the proposal includes the closure of the toilet facilities in the Cemetery. However, this is not referenced in the 'Impact upon Citizens' nor the 'Risk / Mitigation' sections. Closure of the public toilets in the cemeteries would impact upon citizens and this impact should be explained within the Business case.
- There is no mention of the 36% increase in fees to £15 for 30 minutes for an administrative research of burial records which is included in Street Scene Fees and Charges schedule later in the report.

NS181901 - Council Tax - Increase Council Tax by a further 1% from current assumption of 4% to total of 5%

While the Committee realised the challenges faced by the Council and that the Council Tax had been frozen for a number of years, it was concerned about the impact on citizens to pay the increased Council Tax.

The Committee recognised the issues and noted that this proposal would be debated at Council.

Performance Scrutiny Committee - Place & Corporate - 22 Jan 2018

Comments on Draft Budget Proposals (Place & Corporate Directorates):

Comments to Cabinet on any of following Fees and Charges:

Regeneration Investment and Housing:

The Committee stressed that proper communication and consultation with the service of facilities users / fee payers upon proposed fee and charges increases is necessary to feed into the annual review of fees and charges.

Streetscene and City Services:

The Committee welcomed:

- No charge for the interment of a child up to the age of eighteen (from sixteen previously) and recommended that this is publicised;
- the freeze on car parking charges to encourage visitors.

The Committee clarified that the 36 % increase of the charge for an administrative research of burial records to £15 is for 30 minutes. (This wasn't mentioned in the Business Case for the which includes the centralisation of burial records above.)

The Committee was surprised at the under occupancy of allotments, given their rise in popularity in other areas and suggested promotion to younger demographics via social media to increase uptake and revenue.

Corporate Services:

The Committee had concerns that between this year and last year, the pay award was 2% but costs were increasing an average of 4%.

The Committee suggested the promotion of the house naming in order to maximise the opportunity of the building boom, to increase this income stream.

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APPENDIX 3 - EXTRACTS FROM SCHOOLS' FORUM MINUTES

The Schools' Forum believes that the 'cash flat' 2018/19 budget proposal for Schools will be harmful for all Primary and Secondary Schools. With inflation for December 2017 at 3%, this means a real term reduction in the budget. At a time when Schools are being requested to improve outcomes by the Welsh Government and Estyn, the proposals in the Newport City Council budget will not help. Further pressures will undoubtedly impact on standards and Estyn are stating, in a recent report, that improvements need to be made in Mathematics and Numeracy.

Cabinet should be clear about the detrimental effect on attainment, attendance, exclusions and the culture that will be left with no support for the most vulnerable pupils. It is the opinion of the Forum that further cuts in 2018/19 will have an inevitable impact on Students' life chances. It will affect present and future pupils alike. It will also affect the morale of staff who are dedicated and want the best for future generations of pupils who are taught in Newport Schools. It is also concerning that applications for Headteacher posts is in decline. This obviously shows that pressures of this nature are impacting on senior staff.

The Forum is fully aware that Newport City Council have been hit with heavy cuts imposed as a result of austerity. However, it is the opinion of the Forum that one of the top priorities of the Authority should be the education of our children and their future life chances.

It is noted from the 2016/17 Statement of Accounts that the Council has a general reserve of £6.5M, a Pay Reserve of £1.4M, an Invest to Save Reserve of £11M that includes an increase of £5M last year, and a Friars Walk Development reserve of £10M that increased by £3.8M last year. The Forum would request that the Cabinet look at these reserves with a view to increasing the Schools budget in 2018/19.

The Cabinet's budget report states that School funding has increased by 7.3% over the past five financial years. The Forum discussed this but the information in the report does not state the breakdown between individual School budgets and Grants. It would have been useful if demographic pressures were provided for each year. Total Reward would also need to be factored in to provide transparency and clarity in respect of the figures.

The Forum would argue that Schools have collectively absorbed significant and sustained real term cuts over the past five years. In fact, a conservative estimate would be that the actual school funding position, when pay awards, employer costs, incremental drift and external factors are considered over this same period, has decreased by approximately 5% per annum in real terms.

Over three years since 2016/17 the Cabinet report states that the cumulative increase in the number of children in Primary Schools is 765 pupils which equates to almost £1.5M in 2018/19 alone.

Many Primary Schools are already unable to meet the advisory Foundation Phase staff ratio in Early Years. The Foundation Phase Grant does not cover the true cost and Schools use their main budget to support the shortfall.

End of Financial Year 2018-2019

Primary School Examples from across the City	<u>MODEL A</u>	<u>MODEL B</u>	<u>MODEL C</u>
	No changes to existing staff	Reduction in support staff/TLR No/limited intervention Groups for Literacy and Numeracy	Loss of PPA Cover = Closing School for 0.5 Day per week
1 Form Entry	-£38 063	-£29 556	£19 069
2 Form Entry	-£41 320	-£19 080	-£10 411
3 Form Entry	-£81 000	-£1 000	£54 591
<p>Figures do not account for reduction in EIG Funding In order to maintain standards and support for pupil's, schools will opt for Model C</p>			

It was announced by the Welsh Government recently that over £150M would be reallocated from existing grants to Local Authority budget settlements. The majority of this related to existing school funding. Clarity is needed as to whether it has been reflected in the proposed School budget settlement.

The Forum would point out that Schools have been informed that there will be significant reductions in grant funding from the EAS and the Education Improvement Grant will be reduced by 11.2%. There will also be a cut of 6.9% in Post 16 funding. The Forum would like the Cabinet to be aware that it is predicted that all Secondary Schools will have 'in year' deficit budgets at the end of the present financial year with two over £350K. Similarly, with the exception of three, all Primary Schools will have 'in year' deficit budgets at the end of the financial year. As the Scheme for Financing Schools states, licenced deficit budgets are supported by cumulative School reserves. It is a real possibility that collective balances will not be able to support such requests in the upcoming financial years and that there will be very little or no School reserves at the end of the next financial year.

It is envisaged that School Balances at the end of this year will reduce from £4.8M to £1.8M. It is accepted that, at this stage of the financial year, predictions cannot be completely accurate and an adjustment of £0.4M has been applied to lessen the projected reductions in balances.

Schools have planned on 1% pay inflation. Cabinet will be aware that a proposed pay rise for Support Staff will need to be factored into the forthcoming School budgets. A modelling exercise has been carried out which suggests this will equate

to a 3.6% increase in pay across non-teaching staff in Schools. At the Forum meeting on 16 January it was not known what the Teachers' pay award will be in the coming year.

Governors and Headteachers do not just sit around hoping budget pressures will go away. Many Secondary Schools have undertaken extensive reviews of the curriculum to accommodate cuts that have been imposed on them. Some Schools have undergone numerous re-structures over the past three to four years resulting in numerous job losses and, in these cases, there is nothing left to cut. Cabinet should also be aware that other Schools had to restructure last year losing several staff. The Forum are concerned that these Schools and others in both Secondary and Primary Sectors will have to make staff cuts to ensure that budgets are not exceeded.

In a report that was recently presented to the Forum it indicates that Newport Schools AWPU are in the lower half of the 22 Wales Authorities over the period 2013/14 to 2016/17. Below you will see the trend is that Newport is falling in the table for all AWPU age groups between these financial periods.

In 2013/14

Nursery AWPU in Newport was 13th.
Reception AWPU in Newport was 15th.
Years 1 and 2 AWPU in Newport was 14th.
Years 3, 4, and 5 AWPU in Newport was 13th.
Year 6 AWPU in Newport was 15th.
Year 7, 8, and 9 AWPU in Newport was 14th.
Year 10 AWPU in Newport was 15th.
Year 11 AWPU in Newport was 14th.

In 2016/17

Newport was 16th.
Newport was 19th.
Newport was 16th.
Newport was 16th.
Newport was 17th.
Newport was 17th.
Newport was 18th.
Newport was 16th.

There was a slight increase in the overall Schools' Budget of £1.1M last year but this was more than taken up by new schools. It is pleasing to note that this amount has been left in the Schools' budget but it is feared that, with a 'cash flat' budget for 2018/19, Newport AWPU will go even further down the positions in the table. It is also pleasing that it has been pointed out that the current proposal is for all costs associated with the Schools' reorganisation programme will be fully funded by the Authority.

The Forum would also draw your attention to URN EDU1819902. The consolidation of the educational psychology team will have a devastating affect on Schools and we would request that this is not part of the budget cuts. These members of staff are doing a magnificent job and with the increasing number of pupils that have ALN it is a necessity that we keep these staff especially with the dwindling amounts in the Schools' Budget. The Forum would point out the comments made by the Children's Commissioner for Wales in a recent interview about the lack of support for these pupils.

The Forum would also request that URN EDU181904 is withdrawn from the budget cuts as this would put additional pressure on Primary and Secondary Schools at a time when they can least afford it.

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Newport's budget challenge her cyllideb Casnewydd

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Budget Proposals 2018-19 Results

Public Awareness of the budget – During the budget consultation we have carried out a number of awareness exercises with the public, which included:

- A series of engagement activities connected to the Wellbeing Of Future Generations Act work which has involved over 5,000 people.
- Carrying out an awareness survey via the public wi-fi on Newport buses that reached 6,131 people.
- Holding a budget event at the Newport Market attended by 47 people who interacted with Council staff. Part of this included a budget presentation which was attended by 14 people, most of whom were parents of children with additional learning needs. The points raised in this event have been included in this report along with the education services proposals they relate to.
- Holding service user meetings around particular budget proposals (adults and childrens services). Around 75 people attended these sessions and their feedback is shown below under the relevant proposal.
- Holding Ward meetings in Malpas, Shaftesbury and Allt-Yr-Yn.
- Promotion via the media to all households using Newport Matters, Council Facebook & Twitter and Council Website.
- Requesting partner networks to circulate details of the consultation e.g. One Newport Network, Partnership Engagement Group and Voluntary Sector Network.

Across the 15 proposals surveyed there were a total of 2,680 individual proposal responses, with over 416 people engaged, with the results shown below. While 23 representations were submitted via email, letters and petitions that related to the budget proposals, which have been incorporated in the summaries below.

In addition there were 10 additional representations submitted on issues that were not subject to public consultation. These representations have also been noted by the Council.

The results of the online public consultation on the 2018-19 budget proposals have been split into the following sections:

- People (9 proposals);
- Place (5 proposals); and
- Non-Service (1 proposal)

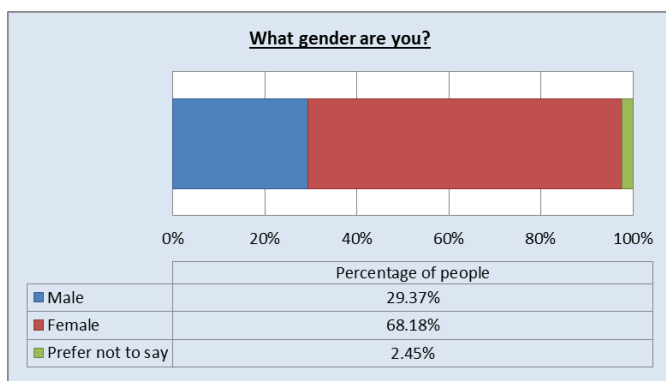
The results of the consultation are as follows:

Basic Information

Question 1a: What gender are you?

	Number of people	Percentage of people
Male	84	29.37%
Female	195	68.18%
Prefer not to say	7	2.45%

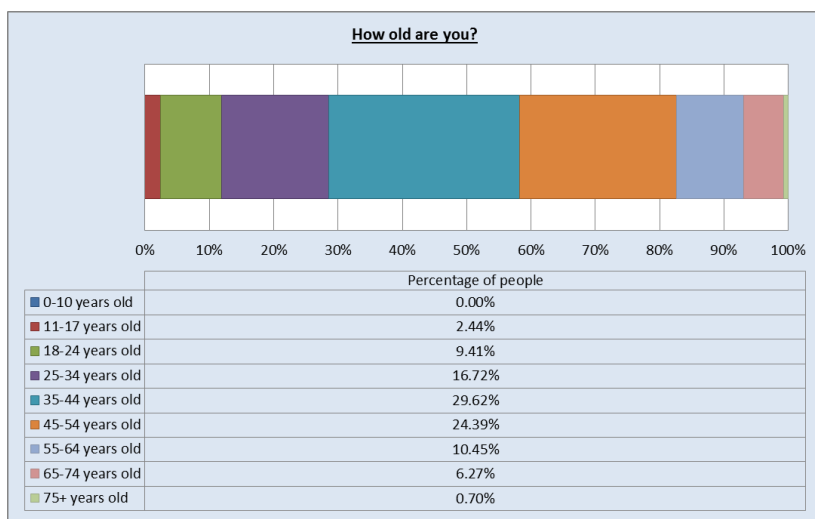
NB: There were 8 no responses to question 1a.



Question 1b: How old are you?

	Number of people	Percentage of people
0-10 years old	0	0.00%
11-17 years old	7	2.44%
18-24 years old	27	9.41%
25-34 years old	48	16.72%
35-44 years old	85	29.62%
45-54 years old	70	24.39%
55-64 years old	30	10.45%
65-74 years old	18	6.27%
75+ years old	2	0.70%

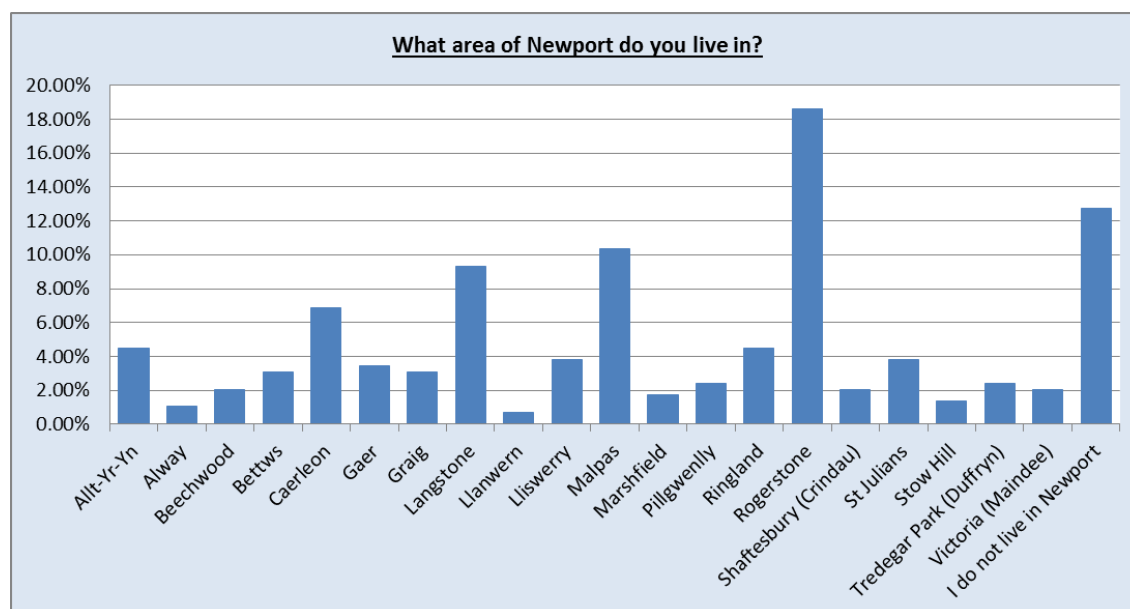
NB: There were 7 no responses to question 1b.



Question 1c: What area of the city do you live in?

Ward	No. of people	% of people	Ward	No. of people	% of people
Allt-Yr-Yn	13	4.48%	Malpas	30	10.34%
Alway	3	1.03%	Marshfield	5	1.72%
Beechwood	6	2.07%	Pillgwenlly	7	2.41%
Bettws	9	3.10%	Ringland	13	4.48%
Caerleon	20	6.90%	Rogerstone	54	18.62%
Gaer	10	3.45%	Shaftesbury (Crindau)	6	2.07%
Graig	9	3.10%	St Julians	11	3.79%
Langstone	27	9.31%	Stow Hill	4	1.38%
Llanwern	2	0.69%	Tredegar Park (Duffryn)	7	2.41%
Lliswerry	11	3.79%	Victoria (Maindee)	6	2.07%
			I do not live in Newport	37	12.76%

NB: There were 4 no responses to question 1c.



Section 1: People

Question 2: Do you want to review and comment on the 9 ‘People’ proposals?

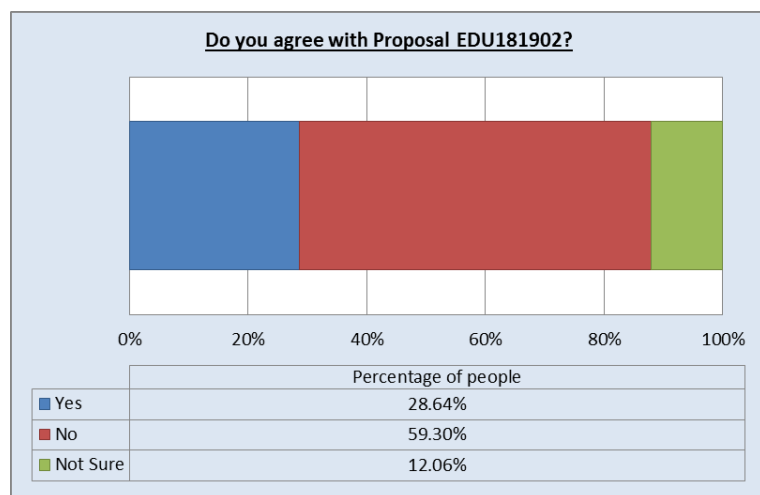
	Number of people	Percentage of people
Yes	198	74.16%
No	69	25.84%

NB: There were 27 no responses to question 2.

Question 3a: Do you agree with Proposal EDU181902 – Consolidation of the educational psychology team (EP), additional learning needs team (ALN), and specific learning difficulty service (Spld) into an ‘inclusion enrichment team’.

	Number of people	Percentage of people
Yes	57	28.64%
No	118	59.30%
Not Sure	24	12.06%

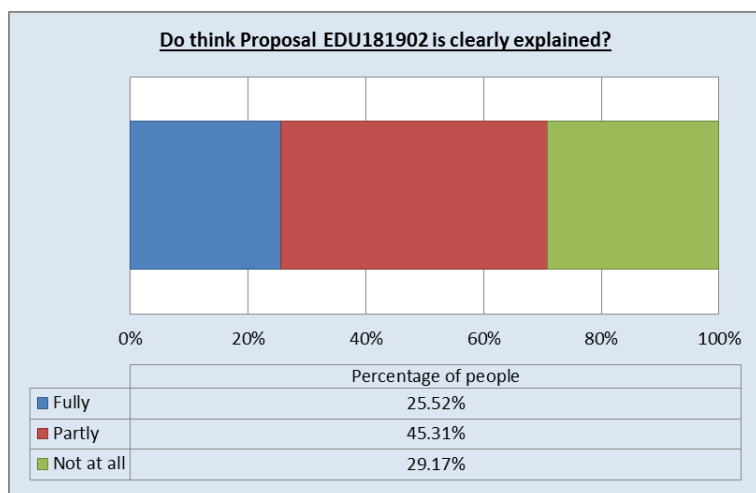
NB: There were 26 no responses to question 3a.



Question 3b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	49	25.52%
Partly	87	45.31%
Not at all	56	29.17%

NB: There were 33 no responses to question 3b.



Question 3c: Do you have any other comments about proposal EDU181902 (72 comments received via the online survey)?

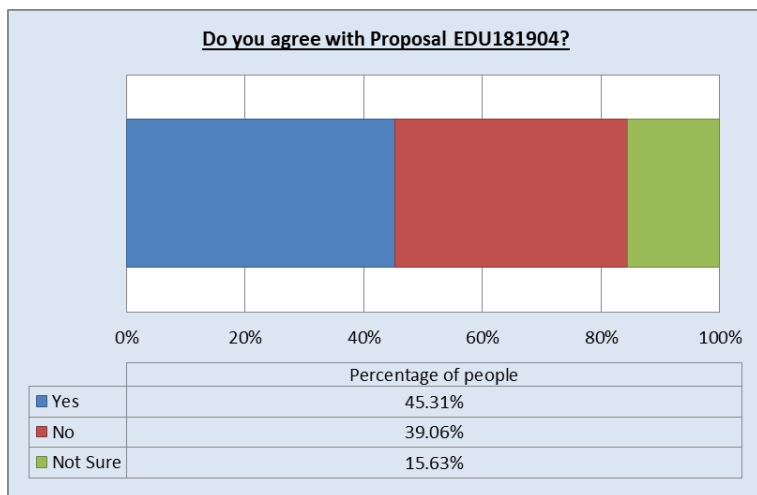
Summary of responses received in the public consultation:

- Some responses suggested that education services have already experienced budget reductions which have impacted on vulnerable young people.
- The proposed consolidated team would reduce in-school support capacity and specialist expertise, and would result in less familiar personal relationships between staff and pupils.
- Responses suggested that there was a belief that ALN SpLD and EP services are already overstretched and that teaching staff are already struggling to manage classroom workloads.
- It was suggested that the perceived reduction in support to children now could mean greater cost in the future.
- Responses suggested that exclusions could increase and pupil attainment and behaviour could deteriorate with an increased burden on parents/carers
- Concerns were expressed that teachers who have been made redundant are then being engaged by schools as consultants, resulting in false economies.
- It was suggested that all students are impacted by the reduction in ALN support as teaching time is diverted on managing challenging behaviour.

Question 4a: Do you agree with Proposal EDU181904 – Remodelling of the pupil referral unit (PRU).

	Number of people	Percentage of people
Yes	87	45.31%
No	75	39.06%
Not Sure	30	15.63%

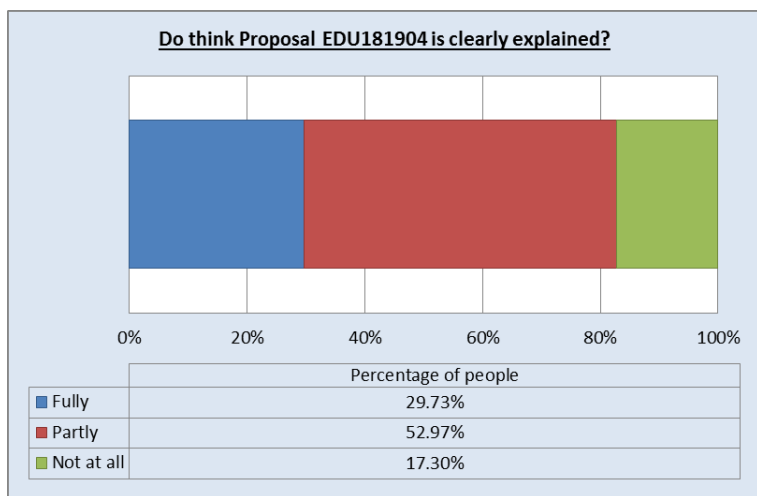
NB: There were 32 no responses to question 4a.



Question 4b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	55	29.73%
Partly	98	52.97%
Not at all	32	17.30%

NB: There were 39 no responses to question 4b.



Question 4c: Do you have any other comments about proposal EDU181904 (44 comments received via the online survey)?

Summary of responses received in the public consultation:

- Responses asked whether schools will be able to afford to fund placements in the proposed SEBD school.
- This proposal was believed to be linked with the other education business case for 2018/19 (ED181902) and from the previous year. It was thought that they collectively affect the education of vulnerable young people and may have unintended consequences in the future in terms of behaviour, attainment and social/economic exclusion.

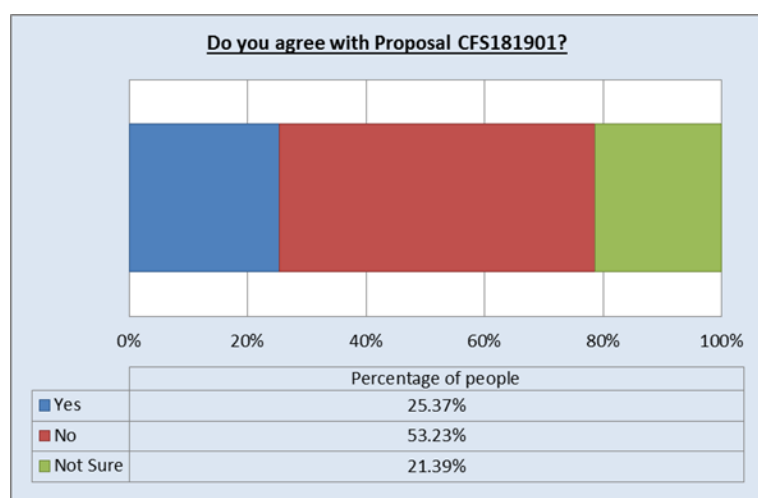
APPENDIX 4 – PUBLIC BUDGET CONSULTATION RESPONSES AND FEEDBACK

- Some responses supported the creation of a SEBD school and thought it was needed as the current PRU is perceived negatively. The possible reduction in costs of out of county placements was raised, but this would depend on the capacity of the new provision.
- Some responses queried the continuity of provision if school funding was reduced whilst future options were being considered.

Question 5a: Do you agree with Proposal CFS181901 – Review of Oaklands short break service.

	Number of people	Percentage of people
Yes	51	25.37%
No	107	53.23%
Not Sure	43	21.39%

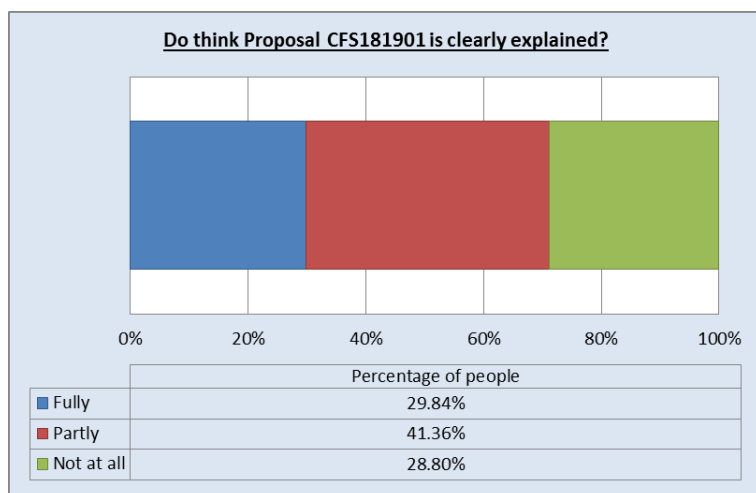
NB: There were 23 no responses to question 5a.



Question 5b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	57	29.84%
Partly	79	41.36%
Not at all	55	28.80%

NB: There were 33 no responses to question 5b.



Question 5c: Do you have any other comments about proposal CFS181901 (59 comments received via the online survey)?

- The most common concern related to the proposal to provide car on a 5 days/nights a week service. Typical responses suggested that respite care is vital to families in need and that outreach care would not adequately replace the current 7 days a week service.
- Some responses questioned whether the proposed model would deliver the expected savings e.g. if outreach settings require adaptations and aids.
- The saving was thought to be less than the cost of a one or two children requiring specialist foster care placements in the event of families being unable to cope with the reduced service, or would have significant impacts on other services.
- Currently service users benefit from overnight respite with a group of other children at Oaklands. In outreach provision this social aspect would be absent.

Childrens Services consultation – Oaklands 24th January 2018

Two meetings were held, one in Oaklands, one in Serennu to give parents and extended family members the opportunity to air their views as part of the overall Council consultation process. The feedback received were as follows:

The business case was outlined, in the context of the savings target the Council has to meet over the next 4 years, the nature of the proposal, the ongoing process and their part within it. Notes were taken and will be used to demonstrate the views of families with regard to the proposal for elected members to use as part of the decision making process.

It was explained that the reduction in provision from 7 days to 5 will primarily affect children on the waiting list not the current cohort of children using the service.

‘It’s a fantastic service one mother said; the Council should celebrate its success’

‘Oaklands is like a family, safe secure and happy, it is unique and is a life line for families’ two mothers said.

Comments on the service provided at Oaklands

- Its safe.
- Oaklands helps parents to let go of their children to allow them to develop.

APPENDIX 4 – PUBLIC BUDGET CONSULTATION RESPONSES AND FEEDBACK

- Staff and parents working together for the best interests of the children.
- Need my child to be safe and for me to be able to spend time with my other children to enjoy a normal life.
- I feel isolated.
- The effects on the wider family must be acknowledged.
- Parents need this help or they will not be able to cope, they are worried and exhausted.

Staffing

- The Oaklands staff group are very good and make children feel welcome, children want to visit and stay.
- Very little staff turnover so continuity of care for the children.
- They support the whole family always there to help.
- Can't praise the staff highly enough.
- Will the staff lose their jobs?

Comments on the existing alternatives to Oaklands for respite

- Reach services are poor, doesn't give true respite sitting in the next room with your child or taking them on a car journey around town, carers back out at short notice.
- The Reach service is expensive for what it is.
- I would rather give my £20 per week Reach money to Oaklands to keep it going.
- Direct payments a few parents used DP and could see value however:
 - paper work was a problem but has improved.
 - challenge of finding good staff.
 - responsibility of employing those staff.
 - turnover of staff.
 - turnover of staff causes disruption and upsets some children.
 - more stress for parents.
 - don't want strangers in their home.
 - Can we use our direct payment to keep Oakland open.
- If Oaklands was not available children would come into full time care at a much greater cost to the authority.
- In England the scheme is called person centred budget- people have their own budget to spend -we could then spend on Oaklands.

Suggestions for alternative ways for the council to save money

- Use of grants across the council -could we divert money to Oaklands.
- Stop spending money on the city centre.
- Other areas of the council should find the savings not children services.
- Decrease in business rates to attract more business and therefore increased income for the council.
- Look at wastage across the council.
- A pay cut for all staff across the council .
- Councillors take a 50% cut in their allowances.

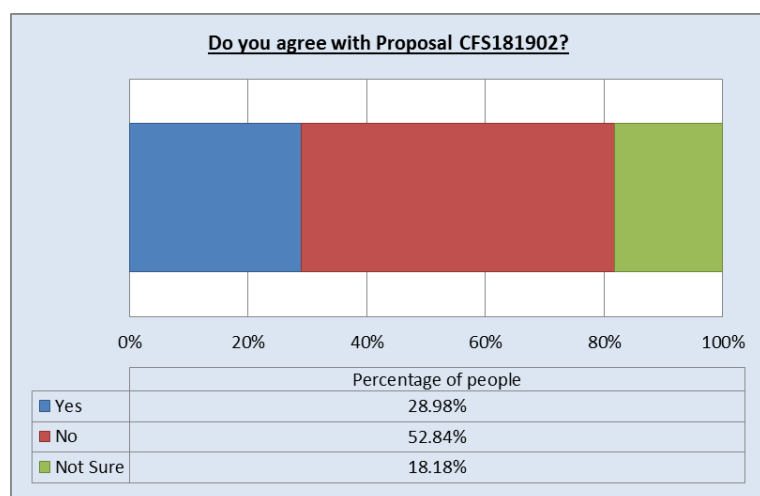
Other general comments

- This is a way to close Oaklands 5 days this year 3 days next year then closure.
- Short term saving for longer term increase in costs- children coming into full time care may have to go out of area to meet needs.
- If children suffer crisis and Oaklands is not available then the costs of placement will be higher.
- Want children to be close to home in Newport.
- If children need to be fostered, take into account the cost of adaptations to the foster carer’s property.
- What happens if I’m in hospital who will look after my children if Oakland is not open.
- Extend Oaklands build another at the other side of Newport- Cardiff doesn’t have an Oaklands. Increase the resource not cut it.
- Disabled children are always last on the list we should not allow a proposal which affects the most vulnerable.
- Suggest councillors come and meet the families including the children before they make their final decision- see the people behind the numbers.
- Our children will lose their entitlements.
- If it helps to save money I’ll send food with my child to save on costs.
- It’s a 24/7 job looking after a disabled child and it can be difficult to ask for help, staff in Oaklands understand.
- Oaklands gives hope.

Question 6a: Do you agree with Proposal CFS181902 – Integrated Family Support Team (IFST) restructure.

	Number of people	Percentage of people
Yes	51	28.98%
No	93	52.84%
Not Sure	32	18.18%

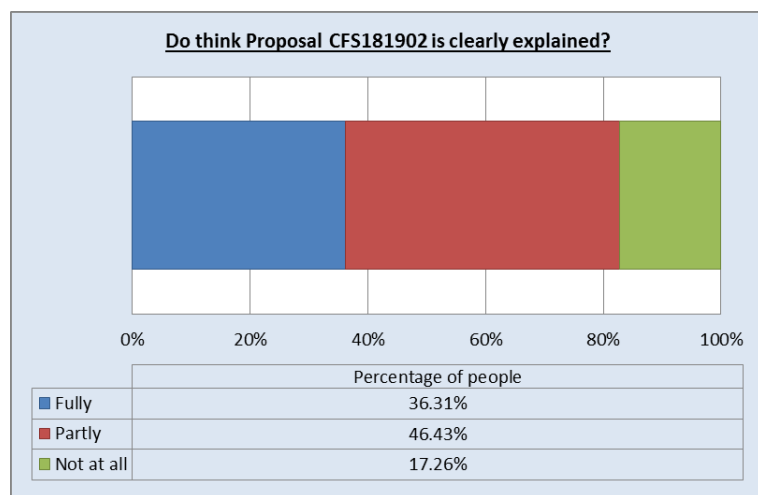
NB: There were 48 no responses to question 6a.



Question 6b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	61	36.31%
Partly	78	46.43%
Not at all	29	17.26%

NB: There were 56 no responses to question 6b.



Question 6c: Do you have any other comments about proposal CFS181902 (32 comments received via the online survey)?

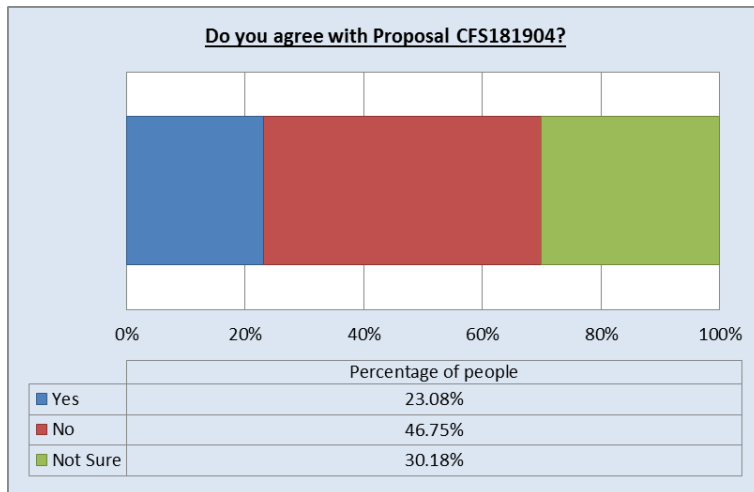
Summary of responses received in the public consultation:

- Some responses suggested that the IFST team provides a vital service, and fills a gap where the family do not quite meet criteria to remain an open case with their social worker and as such should not be subject to reduced funding.
- Reducing services for vulnerable families is going to increase the risk for children with the outcome that more children need to access the care system which will cost the local authority more and risk harm to those families.
- It was suggested that this is a short term solution that will cost the authority more in the long term- financially and in risks to family wellbeing.
- It was suggested that changes need to occur with the IFST model, as some families may have multiple needs and can be with one service (e.g. FASS) until a substance misuse problem emerges and they have to move to a different service and worker, even though the intervention from FASS may have been appropriate. This reduces the likelihood of the intervention being effective as the family has to 'start again'.
- It was suggested that the families using this service have generally already entered crisis and the risks are actual rather than potential. Reduction of the service would mean that lower tier teams have to manage these families who can require a great deal of time and support which detracts from the time taken with families who require slightly less support meaning that these families face an increased risk and need more acute services.

Question 7a: Do you agree with Proposal CFS181904 – Restructuring of the funding within the preventions services.

	Number of people	Percentage of people
Yes	39	23.08%
No	79	46.75%
Not Sure	51	30.18%

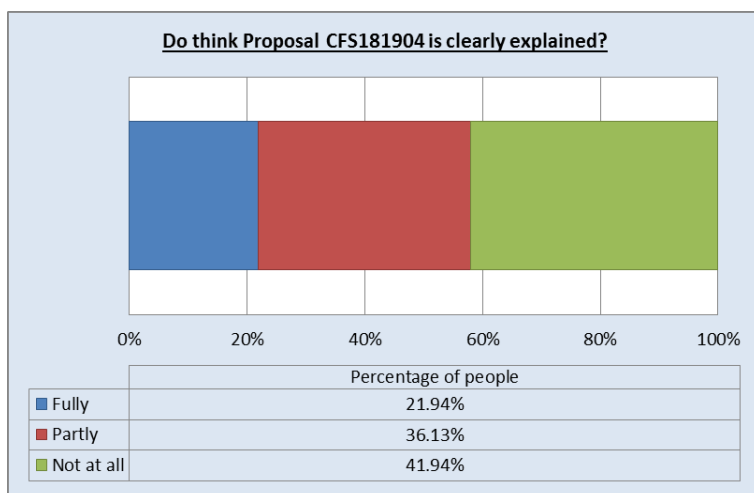
NB: There were 55 no responses to question 7a.



Question 7b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	34	21.94%
Partly	56	36.13%
Not at all	65	41.94%

NB: There were 69 no responses to question 7b.



Question 7c: Do you have any other comments about proposal CFS181904 (30 comments received via the online survey)?

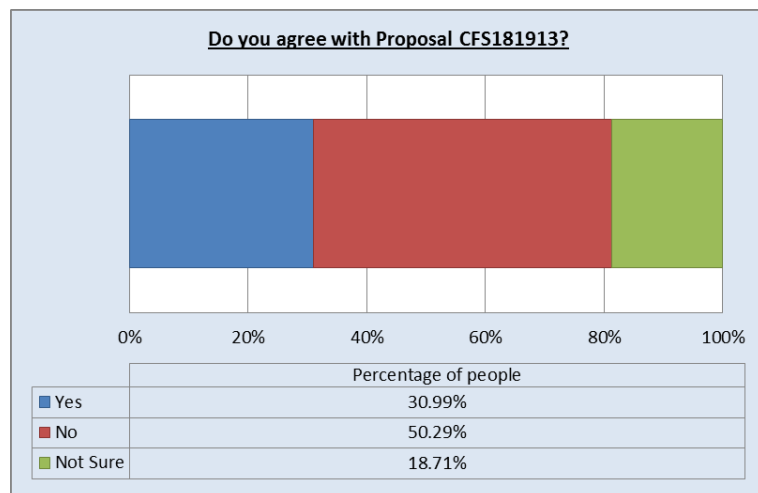
Summary of responses received in the public consultation:

- Some responses suggested that reducing prevention services means that families would not benefit from the help and support in advance of a crisis and therefore will not reduce the amount of families in need.
- Prevention services are regarded as essential, and benefit families who may be more comfortable engaging with preventions than be labelled as requiring a social worker.
- It was suggested that there are already waiting lists for prevention services, so will thresholds for involvement for social services need to change?
- Some responses suggested that there is an opportunity to review prevention services and consider whether teams can be combined

Question 8a: Do you agree with Proposal CFS181913 – Reduction in expenditure on placements for looked after children.

	Number of people	Percentage of people
Yes	53	30.99%
No	86	50.29%
Not Sure	32	18.71%

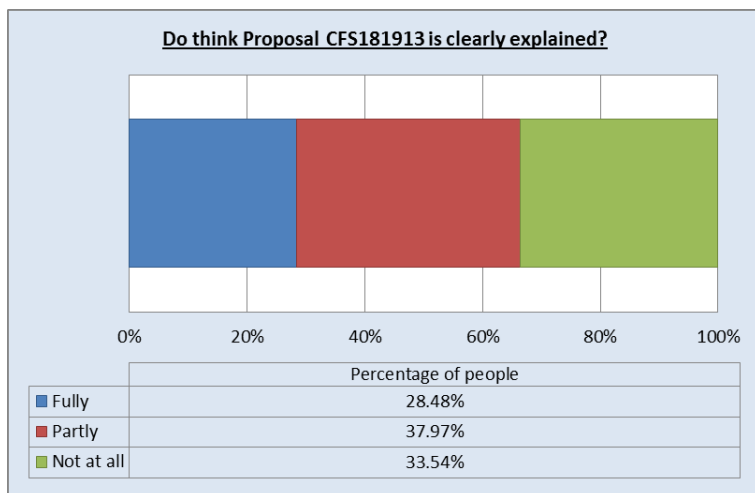
NB: There were 53 no responses to question 8a.



Question 8b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	45	28.48%
Partly	60	37.97%
Not at all	53	33.54%

NB: There were 66 no responses to question 8b.



Question 8c: Do you have any other comments about proposal CFS181913 (37 comments received via the online survey)?

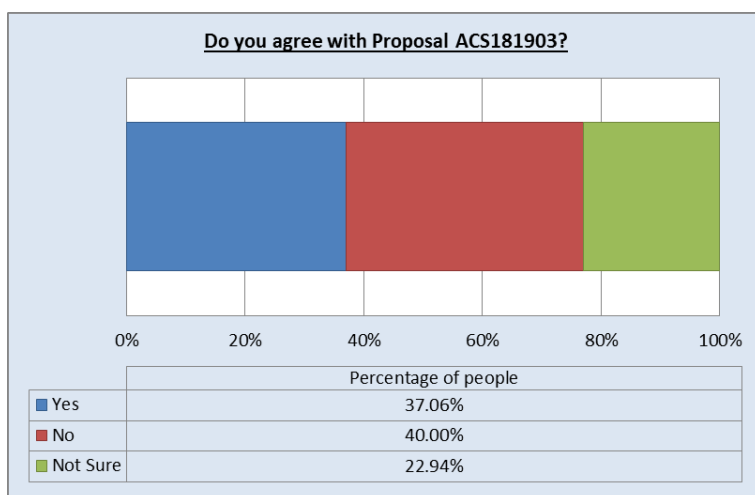
Summary of responses received in the public consultation:

- Responses mainly suggested that looked after children are one of the most vulnerable groups the Council has responsibility for.
- Some response believed savings would be beneficial, but questioned whether reduce expenditure for specialist placements was possible as there is no local provision for complex cases.
- There was some concern that reduced spending on placements would affect the quality and suitability and limit the choice of placements.

Question 9a: Do you agree with Proposal ACS181903 – Review of the Domiciliary Care Service.

	Number of people	Percentage of people
Yes	63	37.06%
No	68	40.00%
Not Sure	39	22.94%

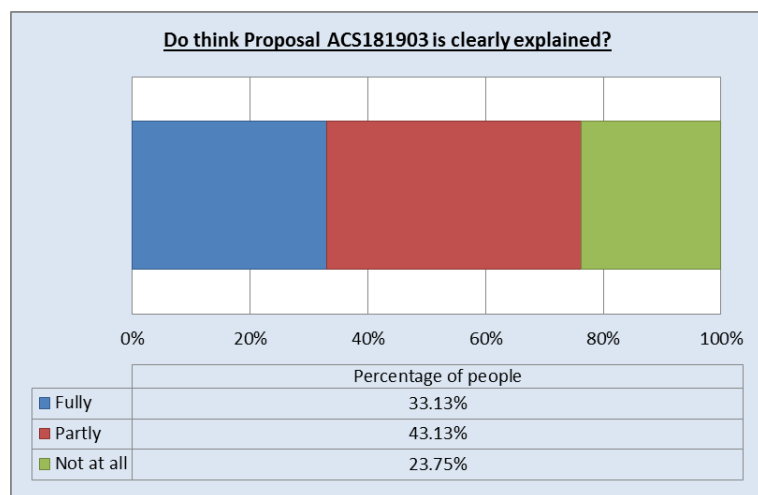
NB: There were 54 no responses to question 9a.



Question 9b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	53	33.13%
Partly	69	43.13%
Not at all	38	23.75%

NB: There were 64 no responses to question 9b.



Question 9c: Do you have any other comments about proposal ACS181903 (31 comments received via the online survey)?

Summary of responses received in the public consultation:

- Positive responses suggested that if the new provider can meet the needs of the individuals without any compromise to the standard of care and the wellbeing and safety of service users then they were supportive of the proposal.
- Other responses favoured in-house provision of domiciliary care services on the grounds of staff training, quality of care, and negative experiences of external care providers in other parts of the country.
- Some responses questioned the job security and terms and conditions of employees transferred to a new provider e.g. in terms of Living Wage.

Adult Services- Extra care consultation

A service user meeting was held with residents of the 4 extracare facilities, with the feedback collected as follows:

The business case was outlined to residents referring to the letter sent to them individually before Christmas. The detail described and the potential positives outlined.

Question and answer sessions were then held at all 4 of the extra care facilities, the questions can be categorised in themes.

Overall the residents were extremely happy with the current arrangements and praised the staff and the care they give- 'It's like one big family' one resident said. 'We are all old and don't really understand what is happening ,thank you for coming and explaining so I don't have to worry' another resident said.

APPENDIX 4 – PUBLIC BUDGET CONSULTATION RESPONSES AND FEEDBACK

General

- So are you doing this to save money? Why ?
- How are you going to save money if everything will remain the same?

Money will be saved by procuring from an external organisation who can provide the service at a reduced price as they do not have the same level of over heads as the council.

Care

- Concerns of residents with regard to stability and continuity of care.
- Concerns about numbers of staff and levels of care particularly at night.
- Staff being available for 24 hours a day on site as currently is the case.
- Terms and conditions for staff under the new arrangements.
- Can you guarantee the staff will stay?
- How will you guarantee the competency of any new staff who come in with the new company and if existing staff leave- continuity is very important.
- Falls and use of the lifting cushion- will this remain the same?

The level of care will remain as it is now and will form part of the contract with the new organisation. This means nights will have a waker and sleeper in each scheme and there will continue to be staff on site in case of emergencies.

New Organisation

- What if the new provider goes out of business?
- Who will be the new care provider?
- What are the penalties if the new provider does not meet quality standards?
- How many companies are there to bid?

We don't know who the provider will be, we know there is interest and will be subject to a procurement process. Organisations will be subject to finance and other vetting processes. The quality of the care provided will be monitored by active contact management and the views of tenants and link will be taken into account and used as part of the process.

Process

- What is the process and how will we choose the right provider- based on money alone?
- So when will this happen?
- How long will it take?
- Will Linc managers be involved in the process?
- Will you come back and let us know?

The procurement process will not conclude until October. Link as council partners will be involved in developing the contract and tenants will have the opportunity to meet all the shortlisted organisations at the appropriate time.

We will come back and let tenants know the outcome at the end of the business case consultation.

Charging

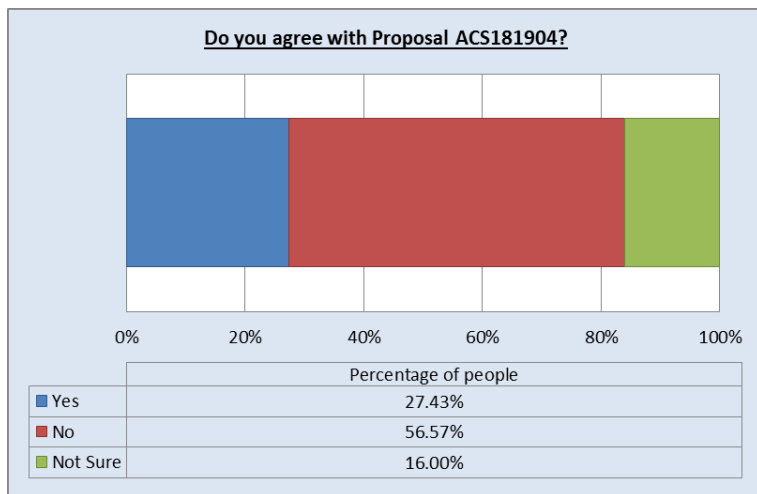
- Will the costs to the individual increase?- care and tenancy
- Can you guarantee that?

There will be no change in charging for care, maximum charges are set by Welsh Government.

Question 10a: Do you agree with Proposal ACS181904 – Re-provision of supported living service.

	Number of people	Percentage of people
Yes	48	27.43%
No	99	56.57%
Not Sure	28	16.00%

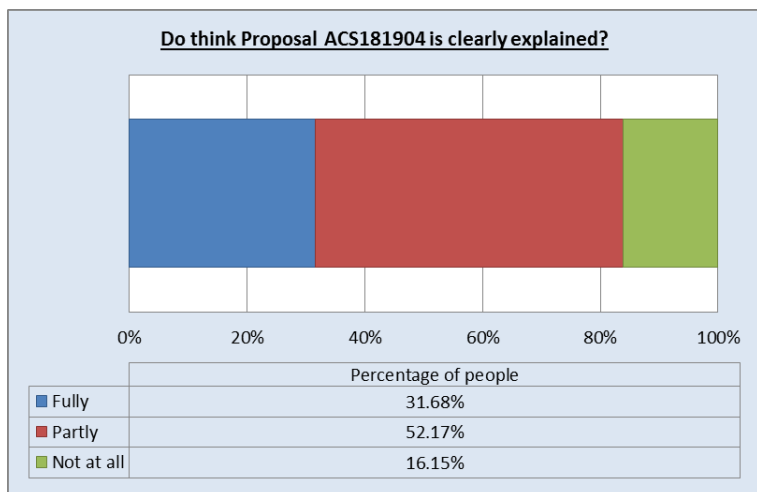
NB: There were 49 no responses to question 10a.



Question 10b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	51	31.68%
Partly	84	52.17%
Not at all	26	16.15%

NB: There were 63 no responses to question 10b.



Question 10c: Do you have any other comments about proposal ACS181904 (28 comments received via the online survey)?

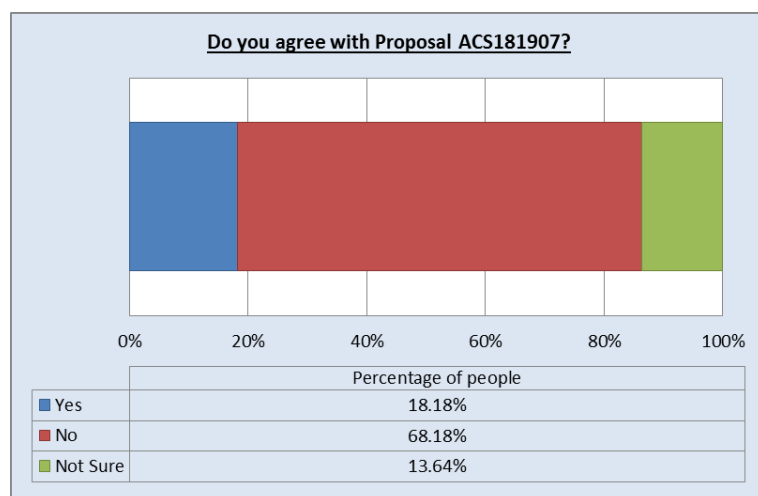
Summary of responses received in the public consultation:

- Some responses questioned the job security and terms and conditions of employees transferred to a new provider e.g. in terms of Living Wage.
- It was suggested that outreach services are limited in the amount of hours they can provide and that service users may face increased costs for their care which would reduce their standard of living.
- Positive responses suggested that if the new provider can meet the needs of service users without any compromise to their standard of care, wellbeing and safety then they were supportive of the proposal.
- Some responses expressed the concern that the standard of care offered by external providers was lower than by public sector providers.

Question 11a: Do you agree with Proposal ACS181907 – Reduction in Adult Budgets.

	Number of people	Percentage of people
Yes	32	18.18%
No	120	68.18%
Not Sure	24	13.64%

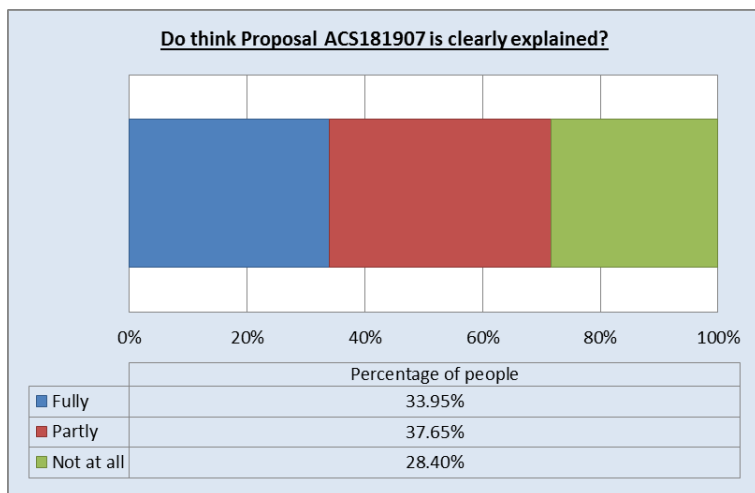
NB: There were 48 no responses to question 11a.



Question 11b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	55	33.95%
Partly	61	37.65%
Not at all	46	28.40%

NB: There were 62 no responses to question 11b.



Question 11c: Do you have any other comments about proposal ACS181907 (46 comments received via the online survey)?

Summary of responses received in the public consultation:

- Some responses supported the proposal if there was no impact on service delivery.
- Some responses expressed the concern that funding for the third sector has been reduced so alternative services are not available outside of the statutory sector.
- It was suggested that some families are not able to support ageing and vulnerable relatives as they have to work longer hours to ensure a sufficient household income.
- The potential impact on people with mental health conditions was raised in a number of responses, with suggestions that there could be immediate impacts and also a longer term increased cost to acute services or passed on to other partners e.g. health, Children’s services.
- Some responses suggested the need for increased collaboration between the City Council and the third sector e.g. in relation to the use of empty buildings and donation of workplace equipment and supplies needed to run projects.

Section 2: Place

Question 12: Do you want to review and comment on the 5 ‘Place’ proposal?

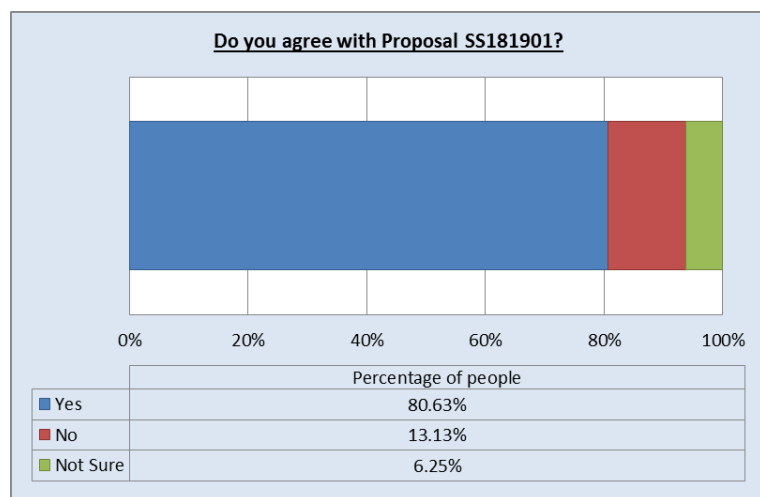
	Number of people	Percentage of people
Yes	125	60.39%
No	82	39.61%

NB: There were 87 no responses to question 12.

Question 13a: Do you agree with Proposal SS181901 – Composting at Docks Way.

	Number of people	Percentage of people
Yes	129	80.63%
No	21	13.13%
Not Sure	10	6.25%

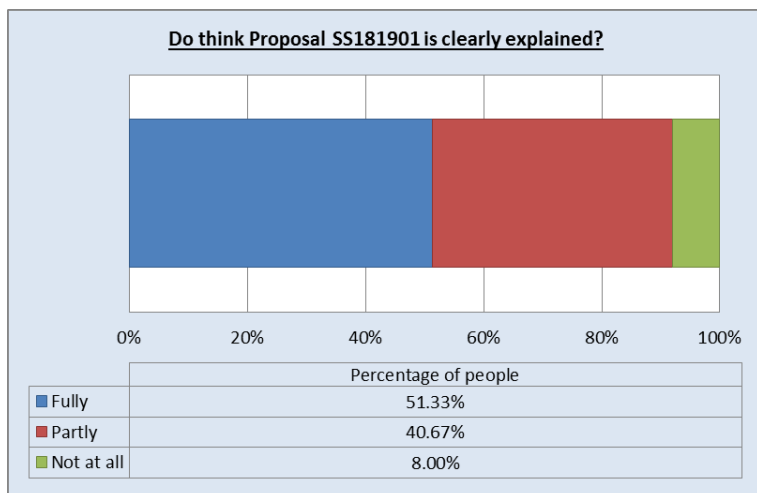
NB: There were 51 no responses to question 13a.



Question 13b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	77	51.33%
Partly	61	40.67%
Not at all	12	8.00%

NB: There were 61 no responses to question 13b.



Question 13c: Do you have any other comments about proposal SS181901 (14 comments received via the online survey)?

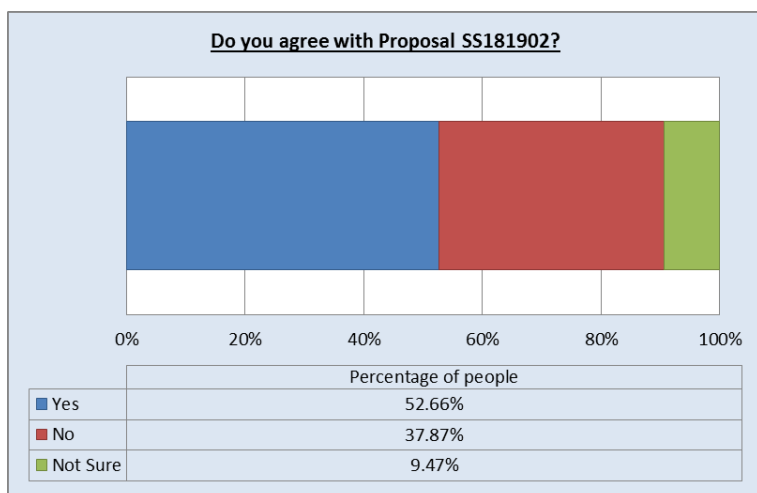
Summary of responses received in the public consultation:

- The investment in new posts and the improved composting capacity was strongly supported.
- Some responses questioned the creation of new posts when there are current proposals for reduced staffing in ‘people’ services.

Question 14a: Do you agree with Proposal SS181902 – Closure of Public Conveniences.

	Number of people	Percentage of people
Yes	89	52.66%
No	64	37.87%
Not Sure	16	9.47%

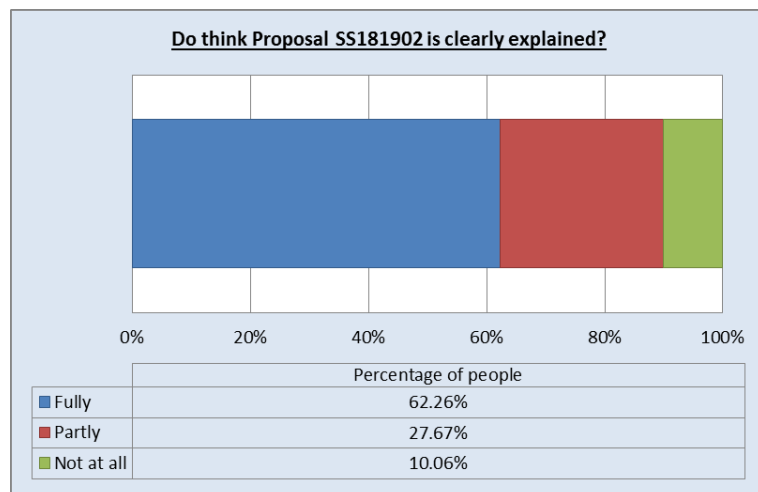
NB: There were 42 no responses to question 14a.



Question 14b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	99	62.26%
Partly	44	27.67%
Not at all	16	10.06%

NB: There were 52 no responses to question 14b.



Question 14c: Do you have any other comments about proposal SS181902 (43 comments received via the online survey)?

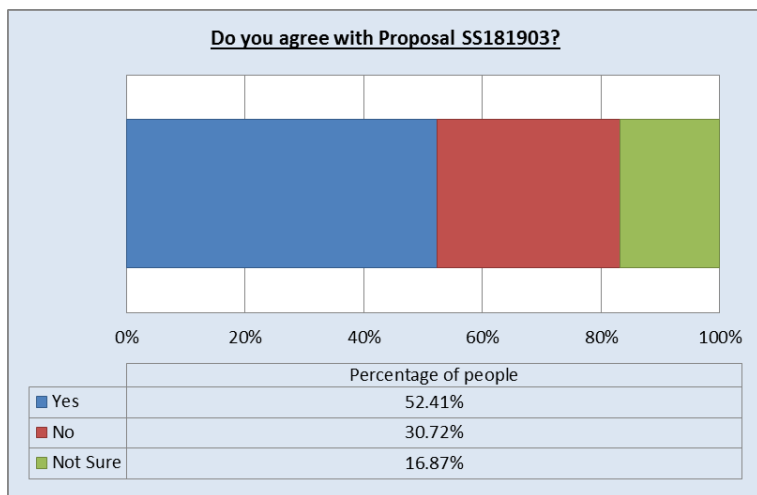
Summary of responses received in the public consultation:

- Concerns were expressed on the potential impact on tourism in Caerleon.
- Questions were raised over the projected level of savings in relation to the possible impact on elderly people, families with young children and people with health conditions.
- Several responses suggested public toilets are essential services, particularly if there is no alternative provision.
- Other responses suggested that public toilets are targets for anti-social behaviour.
- Other responses suggested that generally the toilet facilities available in business premises compensate for reduced public toilet provision.

Question 15a: Do you agree with Proposal SS181903 – Review of Back Office Cemetery Operations and facilities in some parks.

	Number of people	Percentage of people
Yes	87	52.41%
No	51	30.72%
Not Sure	28	16.87%

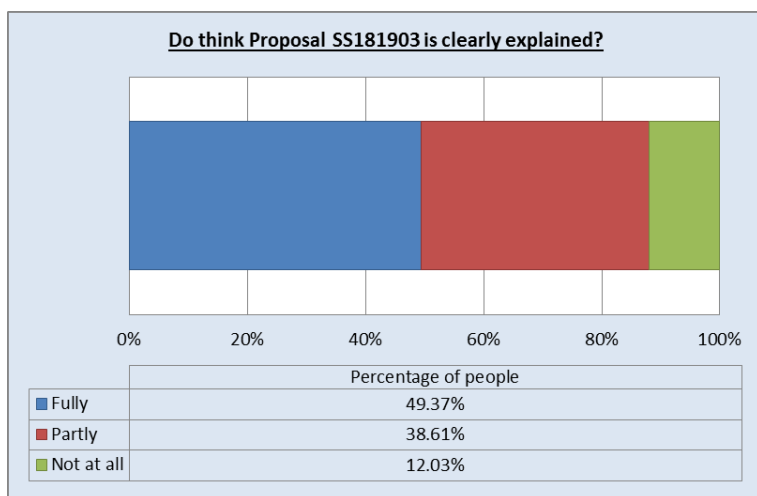
NB: There were 45 no responses to question 15a.



Question 15b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	78	49.37%
Partly	61	38.61%
Not at all	19	12.03%

NB: There were 53 no responses to question 15b.



Question 15c: Do you have any other comments about proposal SS181903 (28 comments received via the online survey)?

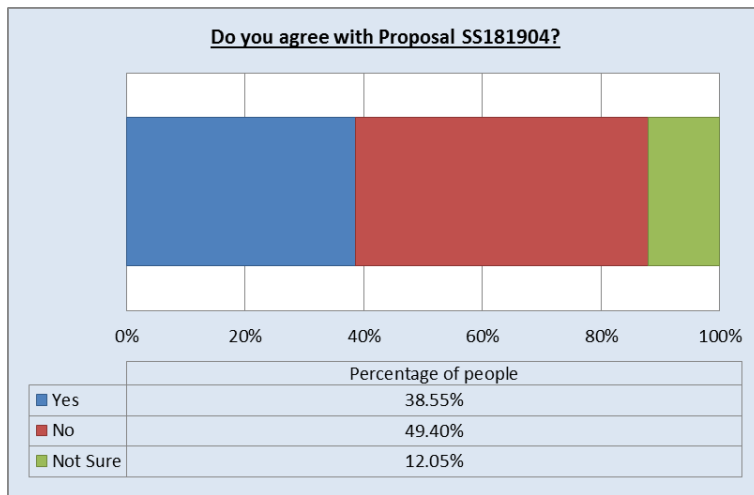
Summary of responses received in the public consultation:

- Responses to this proposal were mixed. Concerns were expressed about the closure of buildings meaning that cemeteries staff will be less accessible to relatives and visitors. There were also concerns about access to toilet facilities. Other responses were in favour of cost reductions from closure of satellite offices.

Question 16a: Do you agree with Proposal SS181904 – Reducing telephone and face to face services within Customer Services.

	Number of people	Percentage of people
Yes	64	38.55%
No	82	49.40%
Not Sure	20	12.05%

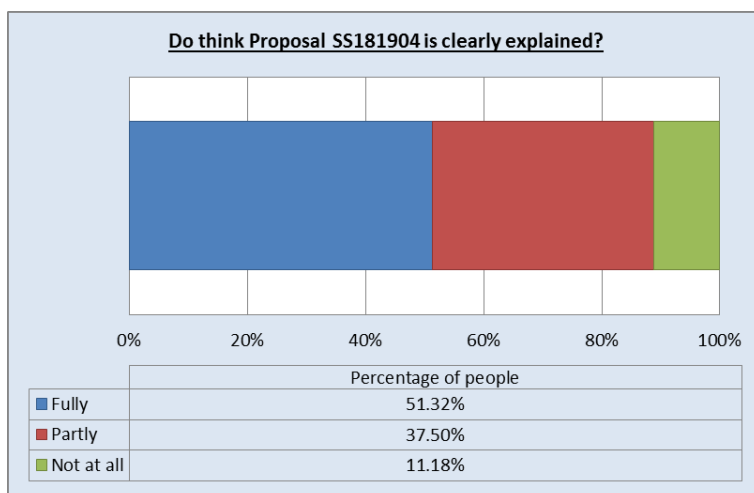
NB: There were 45 no responses to question 16a.



Question 16b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	78	51.32%
Partly	57	37.50%
Not at all	17	11.18%

NB: There were 59 no responses to question 16b.



Question 16c: Do you have any other comments about proposal SS181904 (38 comments received via the online survey)?

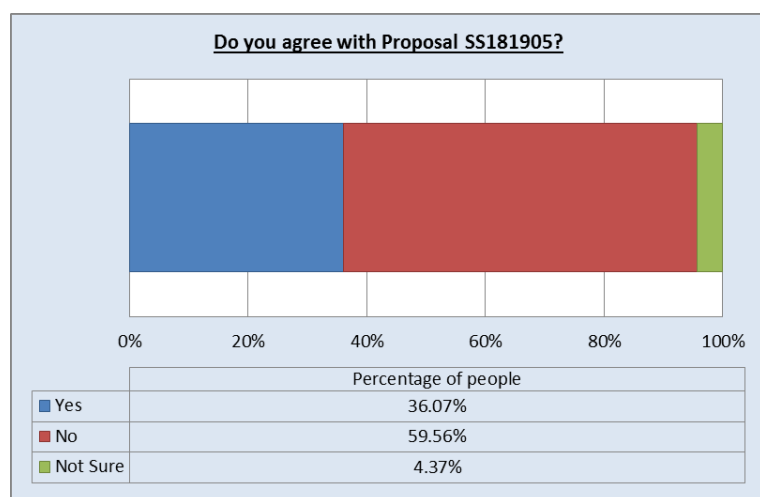
Summary of responses received in the public consultation:

- Some responses suggested that the telephone service (City Contact Centre) is currently slow to answer calls and would be further impacted by the proposal.
- Other responses suggested that some enquiries were not suitable for online transactions, or in some cases telephone and require face to face services. The issue of digital inclusion was raised in that not all people have access to or are confident in using online services.
- Some responses suggested that increased investment and promotion of online services would help reduce pressure on telephone and face to face services.

Question 17a: Do you agree with Proposal SS181905 – Introduce parking charges within city parks.

	Number of people	Percentage of people
Yes	66	36.07%
No	109	59.56%
Not Sure	8	4.37%

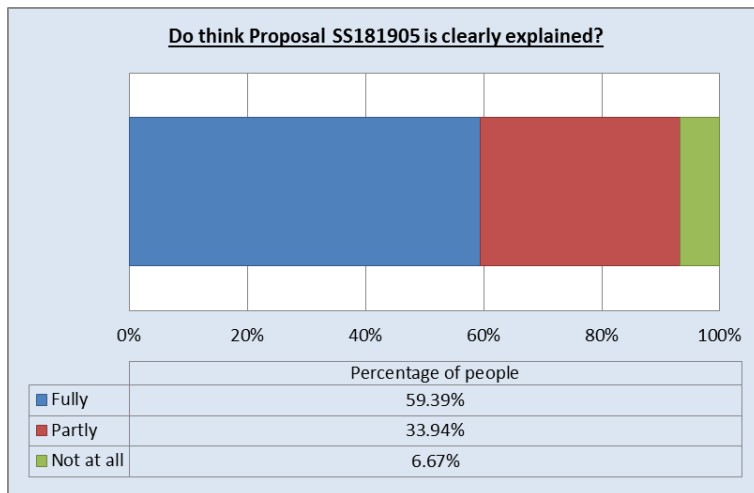
NB: There were 28 no responses to question 17a.



Question 17b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	98	59.39%
Partly	56	33.94%
Not at all	11	6.67%

NB: There were 46 no responses to question 17b.



Question 17c: Do you have any other comments about proposal SS181905 (66 comments received via the online survey)?

Summary of responses received in the public consultation:

- Some responses were concerned that car parking charges would result in lower visits with potential impacts on health and wellbeing, particularly from lower income groups.
- Several responses suggested only charging for longer stay parking e.g. over 2 hours to deter misuse by commuters.
- Concerns about an increase in unauthorised parking and on-street parking in surrounding streets as a result were also raised.

Section 3: Non Service

Question 18: Do you want to review and comment on the 1 ‘Non Service’ proposal?

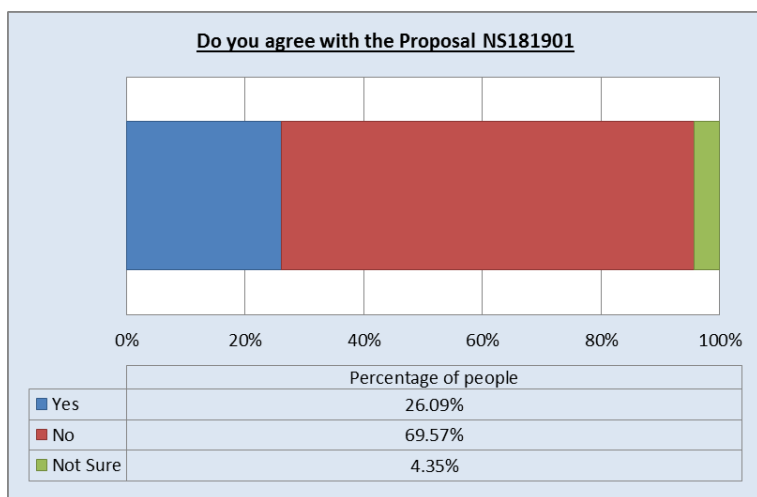
	Number of people	Percentage of people
Yes	137	70.26%
No	58	29.74%

NB: There were 99 no responses to question 18.

Question 19a: Do you agree with Proposal NS181901 - Council Tax Increase.

	Number of people	Percentage of people
Yes	54	26.09%
No	144	69.57%
Not Sure	9	4.35%

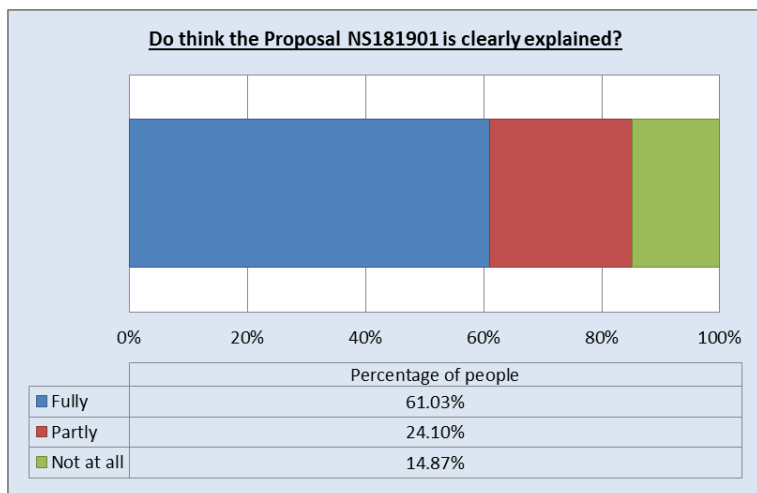
NB: There were 28 no responses to question 19a.



Question 19b: Do you think this proposal is clearly explained?

	Number of people	Percentage of people
Fully	119	61.03%
Partly	47	24.10%
Not at all	29	14.87%

NB: There were 39 no responses to question 19b.



Question 19c: Do you have any other comments about the proposal NS181901 – Council Tax Increase (71 comments received via the online survey)?

Summary of responses received in the public consultation:

- Some responses supported a rise in the event that the income is ring-fenced to protect services to the most vulnerable and disadvantaged citizens.
- Most responses were concerned at a rise in Council Tax exceeding the rate of inflation and the impact that this would have on their own and other people’s standards of living.
- A number of responses expressed the view that council tax is already too high.
- Some responses suggested that whilst real terms incomes have fallen and local people would be paying more council tax at a time when costs savings still need to be found in order to set a balanced budget, Newport is experiencing issues resulting from historically low council tax rates. Given that this is the case a 5% increase is acceptable in order to minimise more cuts in coming years.

NEWPORT FAIRNESS COMMISSION

Taking Seriously Fairness, Equality and Wellbeing in Local Government Policies and Practices

Response to 2018/19 Budget & Medium Term Financial Plan

VERY IMPORTANT: NFC sees its role as facilitating a critical reflection on policy, rather than it being a recommender of policy. Therefore, selective extracts from this response should *not* be used to support particular council policy as if this policy is also being recommended by the NFC.

January 2018

Executive summary

- Questions of fairness (and of equality and wellbeing promotion) are made all the more pressing in a climate of reduced local authority budgets.
- There is clear evidence that the budget proposals seek to realize the fundamental value of prioritising the needs of the most vulnerable and disadvantaged. However, at the same time, limitations to budgets (these being reinforced year-on-year since austerity measures have been implemented) inevitably lead to ‘trade-offs’ *between* those groups deemed most vulnerable and in severe need.
- There is a clear risk that those currently not identified as most vulnerable are more likely to become more vulnerable as a result of aggregated cuts to funding of services over successive budgets. Such trends may be affected by factors outside the Council’s immediate control, such as demographic trends, Welsh Government cuts in grants, rapid changes in urban landscapes, etc. However, as a result there is a clear risk of a vicious cycle of social, economic and cultural deprivation, and especially as ‘preventative services’ are increasingly cut. It is important that consistent and effective research and monitoring takes place to assess the impact of these cuts (and see comments below regarding Fairness and Equality Impact Assessments (FEIAs)).
- There is an additional concern that the net effects of the above processes may come into tension with Welsh Government priorities such as those identified in the Well-Being of Future Generations Act 2015, and raising other issues concerning how boundaries are defined between, say, Newport city, the southeast Wales region, and the interests of Wales and Welsh citizens overall.
- There are clear steps forward in the Council’s handling of the consultation process, and in the potential for creative thinking about how best to deliver

services in straitened financial circumstances. However, there is some concern that the process of scrutinizing policy via the Fairness and Equality Impact Assessments (FEIAs) needs to be better developed further, to ensure better accountability and transparency in policy development. Discussion with Council serving officers about how best to address this issue via NFC training and the enhancement of its advisory role are presently taking place.

- The NFC regards the four parameters of fairness – and the questions they raise in the current budget context – as a crucial tool in assessing and negotiating this complex and challenging terrain.

1. Background:

We very much welcome the invitation from Council to be part of the consultation process for the above. In times of severe economic austerity especially, we believe it is vital that the value of fairness (and equality and wellbeing promotion) is discussed critically and openly in public debate, so we can examine in a meaningful way how these values are applied to local government policies and practices, and in the setting of its priorities. However, it is also important to highlight what has already been stated in our full report to Council in November 2013 (see our website <http://www.newportfairnesscommission.org/>) – that the Fairness Commission is not an elected body and is not a special interest group, and therefore, in our view, its role is not to make specific policy and practice recommendations. We fully recognise and respect, that some Fairness Commissions across the UK have made particular policy recommendations to their Councils. Nevertheless, the NFC sees its role as facilitating a critical reflection *on* policy, rather than it being a recommender *of* policy. The main aim, then, of the Newport Fairness Commission (NFC) is to provide policy-makers with a ‘critical lens’ for viewing fairness, and to encourage public debate which takes fairness seriously as a centrally important political, economic, and social goal.

It is in the above light that the following response has been made to the Budget Proposals 2018/19 and Medium Term Financial Plan (MTFP) as detailed in the December Cabinet Report.

2. General overview of the Newport Fairness Commission (NFC) – summary of what it sees as the broad issues and concerns

The Newport Fairness Commission (NFC) met on the 18th January 2018 to consider in detail the above budget proposals. The first draft of this response was then prepared with invitations for comment to Commission members to be made, with appropriate revisions being completed for the final response to Council in late January 2018. The following overview, then, reflects the discussions at the January meeting, plus these additional amendments.

- a. The NFC concludes that the austerity measures applied in previous years, combined with the 18/19 proposed cuts and future austerity until at least 2021/22, has led to a profound sea-change in how Local Government is able to provide services for its community, both now and in the future. Moreover, the NFC concludes that in matters relating to the principle of fairness (however

this principle is substantially conceptualised), various pressures are now being exerted on vulnerable and disadvantaged sections of the community which, we believe, threaten to undermine key values associated with the principle of fairness (and including the promotion of equality and wellbeing). Most notably, the fundamental value guiding the Commission's thinking on these issues, identified and explored in the NFC full report referred to above, is that Council should attend to the needs of those social groupings considered most vulnerable or disadvantaged across the city, *and* as a matter of first and immediate priority. However, although we believe that Newport City Council is endeavouring to fulfill this value as its main priority, the extent of the cuts means that we are now increasingly witnessing the needs of these vulnerable groups being traded-off against each other, as the NCC balances its books.

So, in broad terms it seems that those vulnerable groups defined as having 'severe needs' are being traded-off against those vulnerable groups defined as having 'very severe needs'; those vulnerable groups defined as benefitting from 'early prevention' are being traded off against those vulnerable groups defined as having 'acute needs'; and, those vulnerable groups which can be targeted by Council with appropriate powers of intervention (but with no *duties* of intervention) are now being traded-off against those vulnerable groups where statutory obligations apply.

Specifically, in relation to the 18/19 budget proposal and considering our responses to previous budgets, the NFC has also become very aware of what might be termed the 'external pressures' on Council spending – that is, pressures which increase the demand on Council spending outside of inflationary considerations, such as, demographic pressures, increased legislative obligations on Local Government which can be costly, increased pay bills for low paid workers, cuts in Welsh Government grants, changes in urban landscapes, and so on. Moreover, according to the budget proposals these 'external pressures' will likely be even greater in years 2018/19; 2019/20; 2020/21; 2021/22– compared with previous years. This means that even if cuts in spending are less severe than anticipated because of the final settlement for Newport City being 'relatively favourable', that services will still be substantially reduced for individual citizens in need, as a result of these other pressures on Council spending.

- b. A related problem, according to the NFC, is that failing to prevent deterioration for those defined as being in 'severe need' (rather than 'very severe need'), or who are defined as 'moderately vulnerable', risks escalating this group's needs and so making them become 'very severely in need' as a result. Inevitably then, these trade-offs are in danger of increasing costs in the medium and long-term as people enter the ranks of those whose health and broader social conditions qualify for statutory services. Moreover, these trade-offs occur in a variety of forms,¹ with the common theme being that many

¹ As stated in previous responses the NFC has made to budget proposals, it is also important to note that these trade-offs also occur in relation to the pay, working conditions, and vulnerability to job-loss of council employees. So, for example, the commitment to a 'Living Wage' being paid to workers by Newport City Council (reflecting, quite rightly, a commitment to low paid workers) is traded-off against attempts to reduce wage bills in times of economic austerity, but which in turn can lead to

vulnerable citizens are at risk of becoming *more* vulnerable as a result of cuts in services, and as the Council concentrates its diminished resources on a reduced number of people. The NFC acknowledges that, to some extent, the effects of these austerity measures are alleviated by the activities of the voluntary/third sector, and other changes in the organisation of care and services, such as the encouragement of independent living in the home for frail and vulnerable adults. For example, one benefit of third sector services is that these often provide ‘added value’ and provide individuals with choice in services - something people value and can, in certain circumstances, support better recovery and independent living. It should, however, be noted that in Local Government’s efforts to cut direct costs, they are *commissioning* very similar services to the ones they previously supplied directly to support the same high priority clients, while offering less funding towards these commissioned packages, which risks escalating people’s needs (and the corresponding costs) and thereby reducing ‘quality of life’ experiences both now and in the future. Moreover, it is also important to note that as the more direct and formalised support structure provided by Local Government diminishes, the ‘added value’ of using the not-for-profit sector may risk being squeezed out. For example, Welsh Government have introduced innovative legislation through several Acts and Measures (e.g. the Social Services and Wellbeing Act 2014), which should have benefited vulnerable groups such as unpaid carers, people with autism etc. but with so much reliance on local authority facilitation and no extra funding it is difficult to imagine a trajectory of improved wellbeing being achievable. In short, these factors combined have resulted in core services being the increasing target for cuts which, in turn, is bound to raise profound concerns as just described.

Specifically, in relation to the 18/19 budget proposal the Commission is concerned that the above outcomes, combined with the cuts administered in previous years, risk the occurrence of a vicious cycle, where increased deprivation (for certain sections of the Newport population at least) will require more services, but which will now no longer be available. It is in this context of medium to long-term decline, which again will put further pressure on Council services. Moreover, this decline in service provision will increasingly come into play in the future, and threaten other policy objectives of Welsh Government legislation, most notably perhaps, the Well-Being of Future Generations Act 2015. According to the Welsh Government website, this Act aims to improve the social, economic, environmental and cultural well-being of Wales, in part by making public bodies think more about the long-term, and work better with people and communities and each other, to prevent problems occurring in the first place. However, the Fairness Commission has concluded that the austerity measures, alongside the many other demographic and other pressures facing Council, will very likely undermine the Act’s aims, given what we call a ‘false economy’ of cuts – that is, where monies are supposedly ‘saved’ in the short-to-medium term, but where the costs to the tax payer and government (both local and national) augment in the future, as social and economic problems increase as a result of present cuts in services. In this context, too, it is also important

diminished working conditions, increased workloads as positions are unfilled, the increased likelihood of redundancy, and so on.

to acknowledge the significant role that raising Council Tax plays in these calculations, particularly given the long history of Newport City Council having a relatively low local tax burden for its citizens. While recognising the political pressure on Council to keeping these taxes low, as well as the importance of ensuring that any increases in Council Tax does not detrimentally affect vulnerable families and groups, the NFC is especially mindful of these more hidden long-term costs to tax payers if local government revenues are reduced as a result of not sufficiently raising its Council Tax in the short-medium term. We also recognize, though, that increasing Council Tax will only at best reduce the extent of the cuts, in the short-term, but will not be able to meet the whole of the shortfall of funding in the medium to long-term. In a wider national context, it is also worth noting that Wales has traditionally raised, directly from its citizens, a substantially lower proportion of the sum needed to maintain local authority services than in England. The NFC also believes that there might be more scope for other forms of income generation, which need to be evaluated and considered, beyond charging for services, and as mechanisms for generating greater wealth and prosperity for the City.

- c. In addition to the detrimental impact of these austerity measures, and alongside the increased demand from ‘external pressures’ detailed above, other pressures are also being felt in Newport city which have exacerbated these problems in trading-off the needs of vulnerable groups, as well as the wider needs and aspirations of other Newport citizens. For example, even taking into account improvements in enablement services that allows some vulnerable elderly people to live in their own homes for longer periods, it seems that the threshold for entry to residential homes for extremely frail elderly people has been raised as local authorities have had to close these establishments. The raising of the threshold, is, in turn, exacerbated by demographic factors which means that people are living longer, but unfortunately with increasing chronic long-term health conditions. The NFC’s concern is that Newport overall, and in particular the most elderly and vulnerable groups within Newport, will suffer increased deprivation as a result. For example, people may seek residential accommodation rather than nursing homes to meet their care needs, but if the private sector set higher tariffs for self-funders and for those without resources where the Local Authorities pay, set higher ‘top-up’ fees, then demand might go down *even though* the needs of the elderly population are increasing. This decrease in demand, might in turn, reduce the supply of suitable residential accommodation despite these increased needs, and leaving even more vulnerable elderly people with insufficient care.

Moreover, the NFC is also concerned about the high possibility of, what might be termed, *increased cultural deprivation* in Newport. Like education policy, this issue relates less to priority being given to vulnerable and disadvantaged groups (although these issues certainly overlap), and more to how local governments sees their role in relation to the funding and provision of the cultural infrastructure, and as it is maintained for the whole of the community. For example, previous cuts in library, leisure and the arts facilities, with the onus being put on other means of funding outside of local government, for the NFC signifies a radical change in how councils administer

and facilitate the cultural activities of their communities. The concern is that the important civic role that Councils historically have often played in enhancing the cultural life of its populace risks being seriously undermined as a result of these cuts.

Subsequently, and specifically in relation to the 18/19 budget proposal the NFC considers that there is now considerable strain being placed on the competing priorities of Council when resources are being reduced and other demands are increasing, and is a strain which is perhaps most acutely felt perhaps between generations. For example, while the Welsh Government's commitment to maintaining school educational budgets at least in line with inflation has been lifted, which has meant a freeing-up of resources to the above older groups and other council activities, the obvious trade-off is that any gains and improvements made by the education services for its children and young people may be threatened as a result. This, in turn, may have a negative knock-on effect on the sustainability of future generations' prosperity and well-being as educational services will also become a target for cuts in services. Again, this issue will also have implications for how the Well-Being and Future Generation Act 2015 is specifically interpreted and implemented.

- d. Finally, and a more positive note, it is important to acknowledge what the NFC sees as steps forward in Council practices in the wake of these austerity measures being applied. For example, the consultation process for this round of budgetary proposals – while subject to the usual alarmingly tight time-constraints imposed by the Welsh Government (WG), plus the lateness of information being provided by the WG to local government decision-makers – is considerably improved compared with previous rounds. The Council's plan in 2018 (building on the work completed in 2016/2017) for a series of activities and events intended to provide a wider engagement with the public over Council policy is to be commended. Hopefully, this consultation process will set in motion an ongoing 'conversation' on local government spending, savings and future service provision, which will be much wider and deeper than just 'agreeing' the budget for the year. Of course, consultation processes can always be improved upon, and we would strongly recommend that the NCC examine closely good practice in other councils in Wales and other parts of the UK to develop further its own practices.² In addition, the NFC also notes that *some* of the austerity measures at least, will encourage a more imaginative and efficient delivery of services which may well be beneficial to certain groups of service-users. Moreover, as councils are forced to break from their more traditional roles in service-delivery other benefits may also accrue. For example, there are some signs across the UK of a more heightened sense of citizen obligations in meeting community aspirations and practices which could lead to beneficial outcomes, as well as a more 'bottom-up' approach to

² For example, as highlighted in the NFC's response previously, in the City of Leeds, a "Poverty Truth" project was launched in February 2015, starting from the principle that all decisions about poverty should involve people who directly face poverty. As its press release states: "[The project] aims to ensure that people living in poverty take the lead on challenging the city's leaders to work with them on tackling poverty: to make a difference to the decisions being made and finding new solutions to poverty." The Commission would strongly recommend that the NCC closely observes its activities (and other similar projects) to develop further its own consultative practices.

policy and practice development as councils have to address increased cuts imposed on its budgets. Again, the Well-Being and Future Generation Act 2015, could potentially provide an arena for developing this ‘bottom-up’ approach further, and for the facilitation of meaningful cross-party discussion concerning what kind of City we want for Newport in the future as a result.

In summary then, the Fairness Commission has a number of serious concerns about the budgetary proposals for 2018/19 and the Medium Term Financial Plan. Most notably, that the extent of the austerity measures will result in a fundamental principle of fairness being undermined, namely that Council should attend to the needs of those social groupings considered most vulnerable or disadvantaged across the city, and as a matter of first and immediate priority. It is especially concerned that as the needs of vulnerable groups are traded-off against each other that a vicious cycle of social, economic and cultural deprivation will be reinforced, leading to a much wider set of detrimental long-term unforeseen consequences for the whole community. Nevertheless, despite these gloomy predictions in the face of this increased austerity, the NFC also acknowledges that out of this necessity, other possibilities open-up which could lay the ground for more improved service provision in the future – relating, for example, to increased and improved public consultation, involvement and political debate, over Local Government spending and subsequent service provision.

3. The fundamental principle of fairness and the four parameters of fairness:

As stated in 2 above, the most fundamental principle guiding the Commission’s thinking on these issues, and again identified and explored in the full report referred to above, is that Council should attend to the needs of those social groupings considered most vulnerable or disadvantaged across the city, and as a matter of first and immediate priority. However, although it is extremely important to articulate this principle in broad terms, by itself, this principle is not sufficient when considering the fairness of specific policies and practices, as a number of important questions and issues remain unanswered. In response to this problem, and again as detailed in our full report, the Fairness Commission has identified, what we have called, four ‘parameters of fairness’, which provide a framework for understanding and critically evaluating the specific policies and priorities set by Council, and the subsequent debates and controversies concerning the meaning of fairness.

The four parameters of fairness are identified as follows, and lead to what the Commission sees as key questions or focal points of debate concerning fairness, recognising that in relation to specific policies and practices these parameters often overlap and work in conjunction with each other:

- *Parameter 1 Equal treatment while recognising difference*
Main focal points of debate: When is it fair to treat people the same, and when is it fair to treat people differently? What groups have priority in Newport, and why? And, if trade-offs and compromises are to be made between different group interests’, how should these trade-offs be balanced?

- *Parameter 2 Mutual obligations between citizens and local government*
Main focal points of debate: What is the responsibility of local government to meet certain needs, and what conditions should apply to citizens, if any? And, which needs are to be provided universally (i.e. to all citizens) and which needs are to be met, in part or wholly, by citizens?
- *Parameter 3 Interdependency and reciprocity within community relations*
Main focal points of debate: What is the value of participation in community life? How are citizens enabled to positively participate in the life of the community over periods of time, for their own and others' benefit? And, how and when are equal opportunities and 'life chances' facilitated, so enabling citizens to participate effectively?
- *Parameter 4 Transparency and accountability in decision-making*
Main focal points of debate: How does Council ensure that the procedures for decision-making are fair, consistent and transparent? How does Council convey clearly and concisely to citizens the main decisions being considered and made? And, how are mature and meaningful channels of communication and exchange of views facilitated between the NCC and citizens?

As a final comment, then, the NFC recommends that in evaluating its proposals that these parameters are used by Council (and others) to make better sense of what the budget allocations mean for the value of fairness, and how it is understood.

So, in relation to Parameter 1 (equal treatment while recognising difference), it seems clear that as a result of year-on-year austerity measures, that in matters relating to equality and diversity, a number of increasingly entrenched trade-offs are occurring between particular vulnerable groups (as explored in 2.a and b above), and between generational demands on services (as explored in 2.c above). As a result, vulnerable groups may be less able to access opportunities to meaningfully participate in society and thereby experience a better quality of life (also see Parameter 3 below). So the questions, then, that Council need to consider are: When is it fair to treat people the same, and when is it fair to treat people differently? What groups have priority in Newport, and why? And, if trade-offs and compromises are to be made between these different group interests', how should these trade-offs be balanced, and why?

We have also noted in this 18/19 budget especially that these trade-offs are also shaped, in part, by considerations of 'boundaries' between the City, the South East Wales region, and Wales overall. So matters relating to promoting fairness between and across these boundaries are becoming increasingly complex, as the prosperity of Newport increases in the medium-to-long term, but which then might be traded-off against other needs across the region and the country of Wales more widely. For example, increases in housing stock in Newport as a result of urban development, which will lead to increases in Council Tax revenue, are in part 'clawed back' by the Welsh Government to compensate other more deprived areas within the region and across Wales. This policy might be thought of as 'fair' for Wales certainly, but necessitates that Newport, sacrifices its interests in the short-term at least, for the sake of other Welsh citizens.³

In relation to Parameter 2 (mutual obligations between citizens and local government), it again seems clear that as a result of year-on-year austerity measures, that the obligations between citizens and local government are radically changing, and, in some ways, are being

³ Although the NFC acknowledges that in the long-term Newport's interests are indeed served by increasing prosperity due to urban development, other 'hidden' costs might also become more apparent as this development occurs, which need to be carefully monitored and assessed.

subject to increasing strain, in relation to, say the issue of the necessity of increasing Council Taxes due to increased demand and cuts in Government revenue (as explored in 2.b above), while at the same time seeing diminished universal services to citizens who may at other times enjoyed the benefits of council activities (as explored in 2.c above). Rightly or wrongly the local authority, and certain other statutory services have been increasingly seen as mediators of fairness in community relations. Withdrawal from service provision may increase local disputes and grievances, with direct and indirect cost implications for vulnerable and disadvantaged individuals and groups. Again, these issues lead to a number of questions which Council need to consider, such as: What is the responsibility of local government to meet certain needs, and what conditions should apply to citizens, if any? And, which needs are to be provided universally (i.e. to all citizens) and which needs are to be met, in part or wholly, by citizens?

In relation to Parameter 3 (interdependency and reciprocity in social relations), it also seems clear that as a result of year-on-year austerity measures, the possibilities for reciprocity and interdependency can be threatened as a result, at least across very vulnerable sections of the community who have become increasingly disenabled and incapacitated as a result (as explored in 2.b above). It is also important to stress that this is not peculiar to the Newport experience, as increasing evidence across the UK seems to suggest that vulnerable citizens have had to be defined (and will define themselves) as being 'incapable' and so will become 'passive recipients' of services, in order to gain access to limited resources. This development, in turn, leads to a number of difficult questions that Council need to consider: What is the value of participation in community life, and how can this be best promoted? How are citizens enabled to positively participate in the life of the community over periods of time, for their own and others' benefit? And, how and when are equal opportunities and 'life chances' facilitated, so enabling citizens to participate effectively? Again, these questions have a generational dynamic to them too as educational budgets are increasingly out under pressure and as demands on central government monies, most notably from the NHS, increase largely as a result of an increase in the ageing population.

Finally, in relation to Parameter 4 (transparency and accountability in decision-making), it seems that a number of pressures on Council has led to certain positive outcomes concerning its transparency and accountability. Although many spending decisions are still not open to consultation being at the discretion of officers and the Cabinet Members, as Council has had to make increasingly difficult decisions, it has in response made systematic attempts to open-up public debate around these issues (as explored in 2.d above). This attention to the processes of decision-making has obviously not avoided the painful choices that have had to be made, but at least allows for a more consistent and systematic addressing of the following questions associated with this Parameter: How does Council ensure that the procedures for decision-making are fair, consistent and transparent? How does Council convey clearly and concisely to the widest possible range of citizens, the main decisions being considered and made? And, how meaningful channels of communication and exchange of views facilitated between the NCC and citizens?

There are though concerns that the Fairness and Equality Assessment process is in need of further development, and while the NFC acknowledges that considerable improvements to this process have been made in recent years, there is still some way to go. That is, to ensure that a proper consideration of fairness is articulated when policy is changed and impact assessments are made by officials. Discussion with Council serving officers about how best to address this issue via NFC training and the enhancement of its advisory role are presently taking place.

End

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APPENDIX 4b – UNION SPECIFIC RESPONSES

We appreciate the position the council finds itself in due to the austerity measures placed upon them by Westminster over the last several years.

We are very disappointed to see Extra Care again at risk of being TUPED away from the council after family and staff made their feelings known at last year's proposal and now after the debacle of Carillion highlighting the risks of trusting private companies with such an important task.

The only way that a private company can undercut the cost of council care would be to undercut the terms and conditions of a loyal long term staff group as well as to cut training to the bare legal minimum. This staff group have gone through several years of uncertainty and we are disappointed to see them again as one of the proposals.

Each saving (Cut) being made again puts more stress on an already pressured workforce. As more and more posts are deleted the workloads are shifted to other colleagues to continue to work under the illusion of business as usual.

We would ask that Newport City council look again at the use of reserves to support services already under significant financial and workforce strain while the staffs are attempting to work to the highest standards.

We would also urge Newport City council to be open to exploring alternative ways to make the most of financial resources within the council.

We as a Union will always challenge outsourcing of council services especially when it affects those least able to look after themselves.

We ask that Newport city council continue to robustly challenge the Assembly and Westminster over what the real term costs of these cuts are to the community within Newport and not allow the financial dictates from London further impact on our City and those who live within it.

Peter Garland Branch Secretary

Newport City Unison



Wales and South West Region

24 January 2018

Newport City Council
Cabinet/Full Council

GMB Submission to Cabinet and Full Council – 2018/19 Budget and Medium Term Financial Plan (MTFP)

The GMB trade union have now had an opportunity to consult with our members across those areas most affected by the latest proposals by the Council to make savings within the 2018/19 Budget and MTFP.

We acknowledge the severity of cuts facing Newport City Council is significantly caused by the continuation of Central Government's austerity cuts to the public sector, combined with the uncertainty of the final grant settlement. We equally acknowledge the pressures on the Council's budget which require new investment but this should not be at the expense of essential public services.

However, in the current climate of continuing reduction in staffing levels yet the expectation from central, regional government and local authorities of providing the same level (and in many areas) a requirement for continuous improvement across council services with less staff, is both unrealistic and unachievable.

Each year for the past 3-4 years Extra Care Services' staff have received a 'thank you' note from this council arriving just before Christmas informing them their service is being considered for outsourcing to a private provider in order to save money. The impact this is having on this specific group of staff who are predominantly part time women workers is catastrophic. The constant threat of being outsourced to another provider not only has a detrimental impact upon their working life but also spills over into their personal lives. It is not good enough for the Council to say they value the work they do – and then offer them up year upon year as financial sacrificial lambs – it is nothing short of a form of harassment by their employer.

Please see below our submission from last year (dated 31 January 2017) submitted to Cabinet and Full Council:

'Proposal to Outsource the Council's Domiciliary Care Service provided in the Linc Extracare scheme

Having now had the opportunity to meet with a number of our members across the four Linc Extracare scheme our members are bitterly opposed to being outsourced. The amount of saving over 2017/18 and 2018/19 is £140k. There is no breakdown as to how these savings would be made.

However, NCC have included an extra:

*£137k for adult social care demographic increase;
£400k for underlying/historical demand for adult social care services;
£447k cost of paying NMW to council contractors, mainly social care;*

As one 'not for profit' care provider told me when they took over a group of domiciliary care workers and failed to follow the TUPE transfer regulations. The new provider was given a 'dowry' for the staff, if they pursue their claim the provider will just close that part of the business – all for a maximum payment of four weeks pay if the failure to consult is upheld. Is this type of treatment really what the council wish for their loyal care staff?

On a national basis, private/voluntary/not for profit care providers are accusing local authorities of not paying them enough to provide the care and be able to pay their workers at a reasonable rate.

The GMB has been informed the rationale for proposing to move forward with the outsourcing of this group of predominantly part time women workers, is the alternative care provider will run the service for £14 per hour instead of the council's £17.28 per hour. This is quite surprising as nationally a figure of £15 per hour is considered too low for most external care providers.

Has the council drilled down to identify how much of the £17.28 per hour per carer is 'top sliced' with corporate charges – finance, payroll, HR, legal, premises, utilities, management costs etc? The reduction in this departmental/corporate funding will also have a knock on affect upon these 'backroom' services/staffing levels, yet we do not see any information detailing the potential impact upon these services.

Already our members have been given new job descriptions which now include 'sleep ins'. This was never in the previous JD and our members feel they are just being 'packaged up' to be sold off. Is this the way NCC treat a group of dedicated, committed and loyal staff, when there is no indication any savings will be achieved in the short/medium/long term.

The GMB would urge the Council to reconsider before progressing with this proposal.'

In this year's budget proposal for Domiciliary Care Service provided in the Linc Extracare scheme there are apparently savings forecast (by outsourcing) in the region of £150k for 2018/19 with a further £150k for 2019/20 yet in the business case it clearly states that 'a costing exercise has demonstrated that an outsourced model would save the council £300k per year with £1.3m transferring to the community care budget to cover the cost of commissioning a contract with a provider to deliver the service.

The GMB would like a copy of this 'costing exercise' in order to understand how outsourcing a service can save money when you still have to provide that service albeit on a commissioning basis.

There are some good private sector/not for profit providers but they can't deliver a service for nothing and any cuts made by the council's commissioning the service, will have to be paid for through a reduction in employment costs.

The GMB's experience is, it is only through the external provider reducing terms and conditions of staff that such significant savings can be achieved. Staff then leave and continuity to the tenants are lost – is this really the model NCC is pushing for? If it is not then there is no need to outsource your dedicated and trained staff.

I understand that NCC have already had first-hand experience of private sector organisations walking away from care contracts because they are no longer financially viable – the council is then left with having to find alternative care provision at short notice or place people into short term residential care until a provider is sourced.

GMB members tell us the decision to separate Frailty from Extra care has resulted in the lack of cohesion between the two services and the opportunity to maximise both services efficiently and effectively. Again there appears not to be any follow up/monitoring of this change to services in order to get tangible feedback as to whether or not this is working and meets the proposed target which cabinet and council based their decision. Why has the council not tracked these changes?

How will moving to an external provider ensure consistency of staff supporting the tenants, at a lower cost to the council?

The GMB has requested the unit cost of our in-house service and those of a comparable external provider which has been used to illustrate these savings in the budget/MTFP. It was stated recently that our in-house costs have soared to as much as £22 per unit. Unfortunately GMB have been denied access to unit cost as Service Manager considers it is commercially sensitive information. We are therefore submitting a FOI request. However we consider this approach by the council to be obstructive and it is clearly meant to prevent GMB from representing its' Members who work within Domiciliary Care in the extra care schemes who do not wish to be the subject of a TUPE transfer.

As you will see from last year's statement to Cabinet and Full Council the in-house unit cost was in the region of £17.28 per hour against a private provider's unit cost of £14 ph (presumably that is what the council is looking to pay). What happens to the central costs which are currently being 'top sliced' off this internal budget? Who will pick up the additional cost? Usual practice is for these costs to be 'absorbed' across the remaining in-house council services bumping their unit costs up so they then become 'too expensive'.

What about the impact on central services eg HR/Finance/Payroll/Legal etc if there is a reduction in staffing levels (57.22FTE) will probably attract a head count of over 100 actual staff leaving the employment of the council. A significant number of staff not requiring central services input.

Social Care is in crisis and has been in 'melt down' both regionally and nationally for too long. Successive government's keep going on about this Cinderella service but do not do anything to support it.

The Domiciliary Care Service provided in the Linc Extracare scheme was heralded as a more innovative way of providing care; enabling people to have their own front doors and not have to be moved on when they developed a need for care – providing a 'wrap around' service with both the council and other health providers working cohesively. It was seen as a better way of living and enhancing quality of life. Within this latest business case it emphasises **'this business plan supports Improvement Plan priorities, Newport a Caring City – supporting independent living for older people and ensuring that people have the right social services'**

What about your dedicated staff – don't they deserve support and a caring employer?

We are all aware of the recent events of Carillion and what is happening there, when so many public services are being provided by a private organisation and hearing about the individual stories of people not being paid and finding themselves out of work through no fault of their own.

We had a similar situation a few years ago in the private sector when one of the care giants – Southern Cross went out of business due to their property services organisation becoming too greedy. Sadly this continues to be the case but with some of the smaller providers still seeing the council as a 'cash cow' but the reality is those days are long gone.

Explore income generation

The GMB believe there are many ways to make the service more cost effective. Talking with members they have raised the possibility of offering people living out in the community access to assisted bathing; reintroducing laundry and shopping services; organising activities for the community as well as tenants all at a cost to generate income into the service. Another proposal is for NCC to work with other neighbouring councils to work as a collective whilst keeping the service in-house.

Request for Councillors to meet with staff

We would like to extend an open invitation to all councillors in addition to the Leader and Cabinet to come along to the centres and meet with staff and hear what their views are on this continued decision to outsource their service before making the decision

The GMB would highlight the impact this continued situation is having on staff and their overall wellbeing. Each year for around the last 3-4 years they go through this process of not knowing whether or not they will remain working for the council. Each year it is just before Christmas when they are told yet again they may be outsourced. It has a significant impact on them and their families: many members have told me how each year they don't know whether or not they can afford to buy presents for their family as they do not want to work for a private provider – they chose to work for the council and are proud to be a council worker. We are all aware that TUPE does not always result in continuity of staff.

Please let's work together to keep the service in-house and stop this year on year uncertainty!

As stated previously, the GMB acknowledge the financial difficulties facing NCC especially as it appears the council is being penalised for having more families in work and reducing the areas of deprivation across the city, at the same time being penalised for having more new domestic properties attracting more retail/commercial businesses to the city.

The GMB would urge the council to look for more income generating streams in order to increase the budget rather than solely focus upon cuts to vital services.

Overall Impact upon Staff Health and Wellbeing

Many departments are facing huge problems just trying to deliver a standard service with an ever decreasing workforce. This in itself is having a massive impact upon those staff who are left to meet unachievable targets/deadlines. The GMB believe the impact of some of these ongoing budget cuts will also impact upon the overall health and wellbeing of staff and will also result in an additional cost to the council which needs to be captured.

Rowena Hayward
Membership Development Officer

Lyndon Clarke
Branch Secretary

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Wales and South West Region

29 January 2018

Newport City Council
Cabinet/Full Council

Additional GMB Submission to Cabinet and Full Council – 2018/19 Budget and Medium Term Financial Plan (MTFP)

The GMB trade union have now had an opportunity to consult with our members across those areas most affected by the latest proposals by the Council to make savings within the 2018/19 Budget and MTFP.

OUTLINE OF OAKLANDS SERVICE

Oaklands is a residential unit that offers short -breaks to children and their families that live in the Newport area. The unit is the **only** short -break service in Newport. The service offers young people the opportunity to spend time away from their families and carers in a safe, stimulating environment. The children that currently use the service have many different needs. Many of the children are on the Autistic spectrum and have conditions associated with Autism i.e. sensory issues, challenging behaviour, communication problems) all of the children have a learning disability and many also have a physical disability. Several have profound and multiple disabilities with complex health conditions that are known to be life limiting.

The house has five bedrooms, two of which have downstairs facilities. At present there are 30 plus families using our service, we understand there may be a waiting list to use the service; each bed is used most nights. Children are given a level of respite following panel decisions of the families need, they are then given a monthly allocation of stays and these are planned according to their needs and the compatibility of others within the house. The house is presently operating seven days a week for twenty four hours per day, we only close at Christmas and recently have closed on some bank holidays.

The children continue their schooling whilst having respite; we transport them all to their schools during term -times.

The staff team comprises of nineteen residential child care workers, working full or part -time during day shifts and a team of night care workers, part-time admin and domestic staff. To meet the needs of the children Staff work morning and afternoon shifts over seven days following a two week rota, many of the children are assessed to require one to one support during the day, - some also need two to one support in community settings. At night two waking night staff are required to meet the many needs of the service during the night.

It has come to our attention that there are proposals to reduce the service to five days a week, GMB strongly object to this for the following reasons.

- The service is a much needed provision, it is the only residential provision in Newport for the families, the needs of their children are met by a skilled, established team that have built up good, supportive relationships with both the children and their families .
- The children have planned overnight stays, their carers need this planned break to rest, to 're-charge' , and to spend time with their other children
- The stays are planned with the children's needs taken into consideration, i.e. staying with other young people that have the same interests, or some children need a quiet environment therefor would be able to stay with a quieter group. Having a five day service would greatly reduce the opportunity for young people to stay with others whose company they enjoy.
- Many of the children have extremely challenging behaviour and great consideration is made when and with whom these children stay, to ensure the safety of the more vulnerable children - if a five day week is in place again this give less scope to accommodate compatible children.
- There have been many instances that young people have needed to stay at the unit at short notice or for an extended stay. (For example -parent or carer has become unwell, parent is struggling to cope, a safeguarding issue, a family emergency etc) and there is no alternative service or family members to support the family.
- Has the Authority considered the children of the future? The diagnosis of Autism has increased and children with complex needs/ rare genetic conditions are living longer and fuller lives.
- It is anticipated that reducing this service will prove to be dreadful short sighted decision and the impact would be that more families will break down and need to have full time residential care for their children, a costly provision.
- Retained carers that were employed by the authority to offer respite in their own homes are no longer a residential resource.

The staff team are obviously concerned about these proposals and its impact on the families, a meeting with managers and families last week was understandable very emotive.

Presently staff have not had any formal notification of any proposals or the opportunity to attend a meeting to discuss these issues, GMB would like to ascertain what this proposal would mean for the staff team and how can they work effectively if the service is reduced to five days

The following questions require a response please:

- Does this mean working more weekends, evenings and more unsociable hours? Concerned that this will impact on work/life balance for all. Child care for some of the team is obviously a huge concern.
- Some of the part-time workers have other jobs or are studying; a change in work rotas and shift patterns would have a huge impact on them.

- Will they be made to work at other residential settings /alternative units that are a completely different care setting that has a different statement of purpose and require staff with different skills and training?
- Will staff be offered redundancies?
- Staff want to ensure continuity of care – to continue their essential Link working with parents, schools, health care professionals and other specialist support workers. Staff want to maintain these relationships and partnership working , working over five days only would mean the level of communication and co -working would be seriously reduced, impacting on quality of care
- Staff contribute to reviews and core group meetings held during the week and may not be able to attend, verbally contribute and support families and service users.

Overall Impact upon Staff Health and Wellbeing

Many departments are facing huge problems just trying to deliver a standard service with an ever decreasing workforce. This in itself is having a massive impact upon those staff who are left to meet unachievable targets/deadlines. The GMB believe the impact of some of these ongoing budget cuts will also impact upon the overall health and wellbeing of staff and will also result in an additional cost to the council which needs to be captured.

Rowena Hayward
Membership Development Officer

Lyndon Clarke
Branch Secretary

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Tel: 029 2049 1260 Fax: 029 2046 2056

APPENDIX 5 – SERVICE AREA DRAFT BUDGETS

Summary Revenue Budget		
	2017/18 Current Budget	2018/19 Base Budget
	£'000	£'000
PEOPLE		
Children & Young People	21,068	22,286
Adult & Community Services	41,070	44,529
Education	14,878	14,561
Schools	90,297	92,842
	167,313	174,218
PLACE		
Regeneration, Investment & Housing	9,194	9,943
Streetscene & City Services	17,847	20,806
	27,041	30,749
CHIEF EXECUTIVE		
Directorate	557	599
Finance	2,719	3,087
People & Business Change	6,321	6,989
Law & Regeneration	6,524	6,904
	16,121	17,579
CAPITAL FINANCING COSTS & INTEREST		
Capital Financing Costs MRP	9,677	7,489
Interest Payable	9,085	9,085
Interest Receivable	(37)	(37)
PFI	8,315	8,543
	27,040	25,080
SUB TOTAL - SERVICE/CAPITAL FINANCING	237,515	247,626
CONTINGENCY PROVISIONS		
General Contingency	1,473	1,473
Centralised Insurance Fund	570	570
Non Departmental Costs	5	5
Other Income & Expenditure	4,911	3,170
	6,959	5,218
LEVIES / OTHER		
Discontinued Operations - pensions	1,576	1,592
Discontinued Operations - Ex Gratia Payments	2	2
Levies - Drainage Board, Fire service etc	8,207	8,330
Non distributed grants	-	-
CTAX Benefit Rebates	12,073	12,031
Charity Rate Relief	-	-
	21,858	21,955
TRANSFERS TO/FROM RESERVES		
Base budget - Planned Transfers to/(from) Reserves	40	(1,388)
	40	(1,388)
TOTAL	266,372	273,411
Funded by		
WG funding (RSG & NNDR)	(208,250)	(212,790)
Council Tax	(58,122)	(61,334)
Council Tax Surplus	-	-
TOTAL	-	(713)

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APPENDIX 6 – BUDGET INVESTMENTS

(i) NEW BUDGET INVESTMENTS

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)
PEOPLE								
Adult & Community Services	SOC10	Community Care Packages		Specific grants transferred into RSG - Welsh Independent Living, Social care workforce grants and carers respite	2,002	0	0	0
Children & Young People Services	SOC20/26	Leaving Care/ Integrated Family Support Services		Specific grants transferred into RSG - Looked after children including edge of care and leaving care and REFLECT	474	0	0	0
Children & Young People Services	SOC32	Independent Foster Agency Placements		Independent Fostering Agencies - based on current trends of IFA placements	0	0	46	0
Children & Young People Services	SOC33	In House Fostering		In-house fostering - Profiling for the next three years has identified a steady increase	0	0	48	0
Education (Schools)	EDU1	Schools		Social, Emotional and Behavioural Difficulties (SEBD) - Schools Pressure	285	200	0	0
Education (Schools)	EDU1	Schools		Schools Funding - permanent transfer of funds	1,100	0	0	0

PLACE

Regeneration, Investment & Housing	RIH1	Homelessness		New Responsibility as set out in Revenue Support Grant (RSG) - Homelessness prevention	321	0	0	0
Streetscene & City Services	STR11	Sustainable Waste		Specific grants transferred into Revenue Support Grant (RSG) - Waste element of single revenue grant	1,509	0	0	0

NON-SERVICE

Non-Service	N/A	N/A		Capital Programme - To fund the capital financing costs of the current (in principle) capital programme	0	250	250	0
Non-Service	N/A	N/A		Contingency set aside for People services pressures	2,200	0	0	0
NEW BUDGET INVESTMENTS TOTAL					7,891	450	344	0

(ii) AGREED/ REVISED INVESTMENTS

Service Group	Activity Short Code	Activity Description	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)
PEOPLE							
Adult & Community Services	SOC10	Community Care Packages	Supporting People Grant Reductions: Due to the application of the pricing policy of LD supported living following WG review. £726k budget pressure profiled over next three years (17/18 to 19/20).	150	276	0	0
Adult & Community Services	SOC11	Mental Health	New responsibility as set out in RSG – Increasing the capital limits for residential care.	350	TBC	TBC	0
Adult & Community Services	SOC10/11	Community Care Packages/ Mental Health	External Residential Provider Fee increases as a result of National Minimum Wage	0	494	549	0
Children & Young People Services	SOC 31	Out of Authority Residential Placements	Out of Authority Residential Placements -the number of placements have been increasing since December 2015 as a result of court ordered placements. Trends suggest a budget is needed that can afford 18 placements.	800	0	0	0

Children & Young People Services	SOC34	Kinship Payments	Kinship - There have been increases of children being granted Special Guardianship Orders of around 25% per year, for the last couple of years.	190	190	180	190
Children & Young People Services	SOC20	Leaving Care	New legislation/Regulation - Fostering 'When I'm Ready'/Leaving Care - This is an amendment to an existing pressure agreed in the 15/16 MTRP. This is a result of changes to legislation (Social Services Wellbeing Act 2014) regarding new responsibilities to support foster children up to the age of 25. Care leavers are entitled to a one off grant (not means tested) and support for accommodation, university fees and associated travel.	92	167	149	205
Children & Young People Services	SOC40	Youth Offending Service	SW YOS Team - As a result of extensive police operations across Newport, particularly in the Pill area there has been a significant rise in the number of children requiring interventions from YOS.	45	0	0	0
Education (Schools)	EDU1	Schools	Secondary School Demographics - net increase for 2016/2017 financial year and beyond. Snapshot taken of known position at 6th March 2015. The figures show increases of 28, 81, 121, and 335 for 2016/2017 to 2019/2020 respectively into the system. For 16/17 & 17/18 proposal is to limit schools to cash limit of 15/16 budget, therefore no pressures included for these years.	0	461	534	778

Education (Schools)	EDU1	Schools	Primary School Demographics - net increase between primary and nursery pupils for 2016/2017 financial year and beyond. Snapshot taken of known position at 6th March 2015. The figures show increases of 298, 209, 258, and 367 for 2016/2017 to 2019/2020 respectively into the system. For 16/17 & 17/18 proposal is to limit schools to cash limit of 15/16 budget, therefore no pressures included for these years.	0	78	292	29
Education (Schools)	EDU1	Schools	Teaching staff increments	0	736	612	484
Education (Schools)	EDU1	Schools	Ysgol Gyfun Gwent Is Coed: This is the new Welsh Medium Secondary School, which is being established from September 2016. The school is opening as a seedling school with intake of pupils up to the following numbers in September of 2016 (90), 2017 (120), 2018 (120), 2019 (120), 2020 (120) and 2021 and thereafter (150). The costs now built into the MTRP are those costs associated with the growth of the school, as it takes in the additional year groups, and significantly grows its curriculum towards year 11 and GCSE year groups. The initial operating costs in 16/17 have been met through a school reserve, which has been exhausted covering the initial seven months of operation and set up.	202	271	275	0

Education (Schools)	EDU1	Schools	<p>New ASD School Provision: This is the new ASD Special School which is being established on the site of Gaer Primary School. The school building is due for completion in early 2017. The school is being built to accommodate 48 pupils and will be a 3-16 school. The MTRP assumes that the school will open with pupils in September 2017, and costs reflect full staffing and running costs of the school as demand indicates that the school should be full. Costs have been therefore indicated over two financial years to reflect the academic year trans versing the 17/18 and 18/19 financial years.</p>	314	0	0	0
Education (Schools)	EDU1	Schools	<p>New Jubilee Park Primary School: This school will be established on the housing development of the former Alcan Site, and is being built by the developer as part of S106 agreements. The school will be a 1.5 FE school, with a nursery and LRB unit on site. The MTRP assumes that the school will open in September 2017 as a seedling school with cohorts of upto 45 pupils being admitted each year until all year groups are admitted. The costs that are therefore built into the MTRP are those costs associated with the growth of the school.</p>	393	225	90	0

Education (Schools)	EDU1	Schools	New Llanwern Primary School: This school will be established on the housing development of the former steelworks Site, and is being built by the developer as part of S106 agreements. The school will be a 2 FE school, with a nursery and LRB unit on site. The MTRP assumes that the school will open in September 2021 as a seedling school with cohorts of upto 60 pupils being admitted each year until all year groups are admitted. The costs that are therefore built into the MTRP are those costs associated with the growth of the school.	0	0	0	519
Education (Schools)	EDU1	Schools	New West Glan Llyn Primary School: This school will be established on the housing development at St Modwens, and is being built by the developer as part of S106 agreements. The school will be a 2 FE school, with a nursery and LRB unit on site. The MTRP assumes that the school will open in September 2018 as a seedling school with cohorts of upto 60 pupils being admitted each year until all year groups are admitted. The costs that are therefore built into the MTRP are those costs associated with the growth of the school.	119	811	122	120

Education (Schools)	EDU1	Schools	New Primary School - Whiteheads: This school will be established on the housing development at the Whiteheads site, and is being built by the developer as part of S106 agreements. The school will be a 2 FE school, with a nursery and LRB unit on site. The MTRP assumes that the school will open in September 2020 as a seedling school with cohorts of upto 60 pupils being admitted each year until all year groups are admitted. The costs that are therefore built into the MTRP are those costs associated with the growth of the school.	0	0	519	411
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PLACE

Regeneration, Investment & Housing	RIH1	Homelessness	Homelessness - removal of new burdens funding. Welsh Government funding has been reduced over the past three financial years and will be removed altogether from 2018/19. To not fund the prevention programme would result in a significant increase in the number of families presenting themselves as homeless and accessing the Council's comparatively more expensive statutory service.	69	0	0	0
Streetscene & City Services	STR3	Public Transport	MTRP Saving double count - SS171804 removal of bus service. A business case to generate £69k MTRP savings through the cessation of a bus service contract was mistakenly included twice in the overall MTRP savings target, removal of this target will result in a more realistic budget.	69	0	0	0

Streetscene & City Services	STR21	Street Cleansing	MTRP Saving incorrect assumptions applied to calculations, overstated by £60k. An MTRP savings approval to remove 10 operative posts was agreed based on an average salary of £25k x 10. All 10 posts were removed but on review it was discovered that each of the posts were valued at less than £25k, the combined shortfall has led to the £60k under achievement of the MTRP saving.	60	0	0	0
Streetscene & City Services	STR11	Sustainable Waste	Waste Strategy - reduction in waste grant. Over the past few years the waste grant has been reduced annually whilst activity and recycling targets have increased. Waste budgets have consistently overspent and whilst certain savings proposals will be implemented this will not fully address the shortfall unless extra budget is applied.	277	120	120	0

CORPORATE

People and Business Change	PBC12	Shared Resource Service	Pinnacle Wifi - Newport Community Cloud	195	0	0	0
People and Business Change	PBC12	Shared Resource Service	Ransomware protection - Upgrading the virus and ransomware protection to become more resilient and ensure business continuity.	30	0	0	0
People and Business Change	PBC1	HR Strategy & Operations	Strategic HR - Removal of unachievable income target in respect of schools SLA	80	0	0	0

NON-SERVICE

Non-Service	N/A	N/A	Non-Teaching staff increments	777	0	0	0
Non-Service	N/A	N/A	Other pressures' - To Be Identified as annual detailed budget work undertaken - there is normally miscellaneous budget pressures identified. This amount here provides an 'allowance' for this - so that the overall budget gap in each year takes account of some amount for this.	0	1,000	1,000	1,000
Non-Service	N/A	N/A	Capital programme MRP / Interest Costs of capital programme MTRP/ interest, following a review of the programme in Sept/Oct 2014 and subsequent re-phasing of projects. Indicative figure and dependent upon future capital programme.	200	0	0	0
Non-Service	N/A	N/A	Pension Deficit - Market conditions have continued to worsen for funds and the deficit is likely to increase from £47bn since the last valuation by around £20bn. The exact increase of individual employer contributions are to be negotiated once the details of the LGPS triennial valuation have emerged. 1% increase per annum from 18/19 currently assumed	660	660	660	0
Non-Service	N/A	N/A	Pension Deficit - Newport Live	100	0	0	0

Non-Service	N/A	N/A	Pension Deficit - SRS	28	0	0	0
Non-Service	N/A	N/A	City Deal - contribution to funding	100	0	0	0
Non-Service	N/A	N/A	Norse JV - pension deficit and increased contribution. A regular tri-annual review of the pension fund attributed to those staff that transferred was undertaken by the fund managers, Greater Gwent (Torfaen) which has highlighted an annual shortfall of pension contribution as well as a deficit payment.	347	5	TBC	TBC
AGREED/ REVISED BUDGET INVESTMENTS TOTAL				5,647	5,494	5,102	3,736
BUDGET INVESTMENT TOTAL				13,538	5,944	5,446	3,736

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APPENDIX 7 – BUDGET SAVINGS

(i) NEW BUDGET SAVINGS FOR CONSULTATION

Cabinet

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
PEOPLE									
Education	EDU9/ EDU 4	Inclusion Management Account/ Psychology Services	EDU181902	Consolidation of the Educational Psychology, Additional Learning Needs, and Specific Learning Needs Teams into a 'Inclusion Enrichment Team'	267	53	0	0	-6.3
Education	EDU11	Bridge Achievement Centre	EDU181904	Re-modelling of the Pupil Referral Unit	285	200	0	0	TBC
Children & Family Services	SOC30	NCC Childrens Residential	CFS181901	Review of Oaklands Short Break Service	154	0	0	0	TBC
Children & Family Services	SOC26	Integrated Family Support Service	CFS181904	Restructuring of the Funding within Prevention Services	311	0	0	0	-4.0
PLACE									
Streetscene & City Services	STR21	Street Cleansing	SS181902	Closure of Public Conveniences	20	0	0	0	-0.3

Streetscene & City Services	STR26	Customer Services	SS181904	Reducing Telephone and Face to Face Services within Customer Services	5	16	0	0	-0.9
Streetscene & City Services	STR1	Environmental Services	SS181905	Introduce Parking Charges in City Parks	40	0	0	0	0.0
Non Service	N/A	N/A	Non-Service	Council Tax - Increase Council Tax by a further 1% from current assumption of 4% to total of 5%	472	0	0	0	0.0
Non-Service	N/A	N/A	Non-Service	MRP Policy Change	2,400	0	0	0	0.0
NEW BUDGET SAVINGS FOR CONSULTATION - Cabinet					3,954	269	0	0	-11.5

Cabinet Member

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
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PEOPLE

Children & Family Services	SOC26	Integrated Family Support Service	CFS181902	Integrated Family Support Team Restructure	120	0	0	0	-3.0 (9 alternative employment)
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Children & Family Services	SOC31/32/34	Various	CFS181913	Reduction in expenditure on placements for Looked After Children	213	0	0	0	0.0
Adult & Community Services	SOC1	Homecare & Extracare	ACS181903	Review of the Domiciliary Care Service	150	150	0	0	-57.2 (TUPE)
Adult & Community Services	SOC3	Supported Living Agency	ACS181904	Re-provision of Supported Living Service	40	93	0	0	-7.0
Adult & Community Services	SOC8/10/11	Various	ACS181907	Reduction in Adult Budget	257	0	0	0	0.0

PLACE

Streetscene & City Services	STR11	Sustainable Waste	SS181901	Composting at Docks Way	42	14	0	0	2.0	
Streetscene & City Services	STR2	Cemeteries	SS181903	Review of Back office Cemetery Operations and facilities in some parks	23	0	0	0	0.0	
					NEW BUDGET SAVINGS TOTAL - Cabinet Member	845	257	0	0	-65.2

(ii) NEW BUDGET SAVINGS IMPLEMENTED UNDER DELEGATED AUTHORITY

Head of Service

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
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PEOPLE

Education	EDU3/7/14/1 5/21/23/ 24	Various	EDU181905	Reduction in budget lines	321	0	0	0	0.0
Education	EDU9/ 18	Inclusion Management Account/ Service Development & Business Support	EDU181906	Staff Reductions	68	0	0	0	-2.0
Children & Family Services	SOC23	Child Safeguarding & Missing Children	CFS181903	Gwent Missing Children Service	20	0	0	0	0.0
Children & Family Services	SOC20	Leaving care	CFS181905	Use of grant funding to Support Care Leavers	35	0	0	0	0.0
Children & Family Services	SOC26	Integrated Family Support Service	CFS181906	Use of grant funding for services to children at risk of going into care (Edge of Care)	200	0	0	0	0.0
Children & Family Services	SOC20	Leaving care	CFS181907	Use of grant funding for Leaving Care	50	0	0	0	0.0

Children & Family Services	SOC28	Child Protection	CFS181908	Funding for Asylum Seekers	20	0	0	0	0.0
Children & Family Services	SOC28	Child Protection	CFS181909	Childcare Legal Fees Budget	50	50	0	0	0.0
Children & Family Services	SOC33	In House Fostering	CFS181910	Remodelling of the Fostering Service	41	26	26	0	0.0
Children & Family Services	SOC28	Child Protection	CFS181911	Children's Day-care Support	17	0	0	0	0.0
Children & Family Services	SOC33	In House Fostering	CFS181912	Psychologist Secondment	46	0	0	0	0.0
Children & Family Services	SOC21/22/24/35/36/37/39	Various	CFS181914	Reduction in budget lines to be achieved with a mix of efficiencies and reduction in hours for some posts	44	0	0	0	-0.5
Adult & Community Services	SOC14	Service Day & Commissioning	ACS181905	Changes to staffing arrangements within Adult Services	100	0	0	0	-1.8
Adult & Community Services	SOC16	Adult Services Contract Support	ACS181906	South East Wales Commissioning Arrangements	75	0	0	0	0.0
Adult & Community Services	SOC5/9/11/13	Various	ACS181908	Reduction in Staffing Budgets in Adult & Community Services	147	0	0	0	-4.0

PLACE

Streetscene & City Services	STR1	Environmental Services	SS181906	Review Pitch Markings	10	0	0	0	0.0
Streetscene & City Services	STR11	Sustainable Waste	SS181907	Savings from Fuel Efficiencies	16	0	0	0	0.0
Streetscene & City Services	STR4/5/6/8/1 2/13/14/16/1 7/23/24/25	Various	SS181908	Service Improvement & Efficiency Savings	325	0	0	0	3.0
Regeneration, Investment & Housing	RIH8	Station Buildings	RIH181901	Asset Rationalisation: Information Station	180	0	0	0	0.0
Regeneration, Investment & Housing	RIH27	Partnerships	RIH181902	Grants for Family Information Service	26	0	0	0	0.0
Regeneration, Investment & Housing	RIH 11/ 13/16	Various	RIH181903	Modernised Development Services	59	0	0	0	-2.0
Regeneration, Investment & Housing	RIH21	Youth Core	RIH181904	Review of Youth Service	27	0	0	0	-1.0
Regeneration, Investment & Housing	RIH7	Civic Centre Facilities Management	RIH181905	Housing and Maintenance efficiencies	203	0	0	0	0.0

Regeneration, Investment & Housing	RIH20	Community Development Core	RIH181906	Co funding of service delivery for Community Development Worker	14	0	0	0	-1.0
Regeneration, Investment & Housing	RIH19/21/22/36	Various	RIH181907	Efficiency savings in Community Regeneration	14	0	0	0	0.0
Regeneration, Investment & Housing	RIH24/25/26/28/30	Various	RIH181908	General reduction in Budgets	28	0	0	0	0.0
Regeneration, Investment & Housing	RIH11/12/14/17/18	Various	RIH181909	Efficiency savings in Development Services	16	0	0	0	0.0
Regeneration, Investment & Housing	RIH10/12	Strategy & Development / Private Sector Housing	RIH181910	Housing and Assets general efficiencies	17	0	0	0	0.0
Regeneration, Investment & Housing	RIH1/3	Homelessness & Housing Needs	RIH181911	Housing & Assets - Housing Needs (Supporting People & Homelessness)	54	0	0	0	0.0

CORPORATE

People & Business Change	PBC3	Business Change Improvement	PBC181901	Core Resource Reduction in Business Improvement Team	10	0	0	0	0.0
People & Business Change	PBC10/11/13/14/15/16	Various	PBC181902	Reduction in Digital and Information Budgets	10	0	0	0	0.0

People & Business Change	PBC8	Health & Safety	PBC181903	Reduction in Health & Safety Budget	3	0	0	0	0.0
People & Business Change	PBC9	Social Services Training	PBC181904	Reduction in Social Services Workforce Development Budget	8	0	0	0	0.0
People & Business Change	PBC2	HR Employment Services	PBC181905	Vacancy Deletion in Transactional HR & Payroll	14	0	0	0	-0.5
People & Business Change	PBC11	Information Governance & Development	PBC181906	Deletion of Post in Digital and Information Governance	31	0	0	0	-1.0
People & Business Change	PBC7	Partnership & Policy	PBC181907	Reduction in Partnership Budgets	17	0	0	0	0.0
Finance	FIN5	Council Tax NNDR Revenue	FIN181902	Advanced Charging of Court Fees	5	0	0	0	0.0
Finance	FIN 1/3/4	Accountancy/ Purchase to Pay/ Strategic Procurement	FIN181903	Miscellaneous Efficiency Savings	22	0	0	0	0.0
Law & Regulation	LAW1	Communications & Marketing	LR181901	Reduction in Tourism Budget	10	0	0	0	0.0
Law & Regulation	LAW2	Registrars	LR181902	Reduction in Grounds Maintenance Budget for Mansion House	10	0	0	0	0.0

Law & Regulation	LAW3	Democratic Services	LR181903	Reprovision of Services within Democratic Services	42	0	0	0	-1.0
Law & Regulation	LAW8	Insurance	LR181904	Reduction in Insurance Premiums for Works of Art	10	0	0	0	0.0
Law & Regulation	LAW9	Community Safety	LR181905	Deletion of Vacant Part Time Post	12	0	0	0	-0.5
Law & Regulation	LAW11	Trading Standards	LR181906	Review of Regulatory Service Support	14	0	0	0	-0.8
Council Wide	Various - TBC	TBC	CC181901	Digital Council	34	0	0	0	2.0
Council Wide	Various - TBC	TBC	CC181902	Our People	122	0	0	0	1.0
NEW BUDGET SAVINGS TOTAL - Delegated Head of Service					2,597	76	26	0	-10.1

(iii) BUDGET SAVINGS PREVIOUSLY APPROVED/ REVISED

Cabinet

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
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PEOPLE

Children & Family Services	SOC28	Child Protection	CFS03	Reduction in Social Worker posts	144	0	0	0	-7.0
Education	EDU1	Schools	EDUC171802	Cease funding to the Learning Support Centres in eight secondary schools	184	0	0	0	-16.0
Education	EDU1	Schools	EDUC171804	To Cease funding and close the Learning Resource Base in Llanwern High School	56	0	0	0	-4.0
PREVIOUSLY AGREED SAVING - Cabinet					384	0	0	0	-27.0

Cabinet Member

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
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PEOPLE

Adult & Community Services	SOC10	Community Care Packages	AS171808	Review of Supporting People Programme's Grant (SPPG) funding contribution to Social Services	150	0	0	0	0.0
PREVIOUSLY AGREED SAVING - Cabinet Member					150	0	0	0	0.0

Head of Service

Service Group	Activity Short Code	Activity Description	Unique ID	Proposal Title	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
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PEOPLE

Adult & Community Services	SOC13	Adults Management Account	AS171802	Various Budget reductions	20	20	20	0	0.0
Adult & Community Services	SOC4	Day opportunities	AS171806	Review of the Council's In House Day Opportunities Service	60	0	0	0	-3.5

PLACE

Regeneration, Investment & Housing	RIH11	Building Control	RIH171806	Deletion 0.6FTE Technical Support post	6	0	0	0	-0.6
Streetscene & City Services	STR9	Leisure Trust	STS27	Newport LIVE - Efficiency savings from Newport Live operation	60	60	0	0	0.0
Streetscene & City Services	STR1	Environmental Services	SS171810	Review of lodges within Streetscene portfolio	10	0	0	0	0.0
Streetscene & City Services	STR20	Off Street Parking	SS171813	Provision of car parking facilities to Aneurin Bevan University Health Board (ABUHB) - Part one and part two	39	0	0	0	0.0
Streetscene & City Services	STR18	Routine Maintenance	SS171815	Southern Distributor Road (SDR) operation and maintenance contract award - Part one and part two	10	0	0	0	4.0

CORPORATE

People & Business Change	PBC12	Shared Resource Service	CSDI011	Information Governance - PSBA (Public Sector Broadband Aggregation) circuits. Greater Gwent Network project developed involving the provision of a new wide area network funded by Welsh Government	12	0	0	0	0.0
Finance	FIN1	Accountancy	FIN171801	Centralisation of Accountancy Assistants	46	0	0	0	-2.0

Finance	FIN5	Council Tax NNDR Revenue	FIN171805	Increase council tax collection rate	62	0	0	0	0.0
Law & Regulation	LAW10	Environmental Health	LR171805	Public protection structure review	121	0	0	0	-6.0

NON-SERVICE

Non-Service	N/A	N/A	NS171802	MRP/ Interest budgets - Expected interest rate savings when bonds mature	0	1,500	0	0	0.0
Non-Service	N/A	N/A	NS181900	Revision to MRP policy as agreed by Council in 2016/17	1,088	0	0	0	0.0
PREVIOUSLY AGREED SAVING - Delegated Head of Service					1,534	1,580	20	0	-8.1

SAVINGS SUMMARY

Savings Decision Type	18/19 (£'000)	19/20 (£'000)	20/21 (£'000)	21/22 (£'000)	Staff Impact FTE
Cabinet Budget Savings	3,954	269	0	0	-11.5
Cabinet Member Budget Savings	845	257	0	0	-65.2
Delegated Head of Service Budget Savings	2,597	76	26	0	-10.1
New Budget Savings	7,396	602	26	0	-86.8
Previously agreed budget savings	2,068	1,580	20	0	-35.1
TOTAL BUDGET SAVINGS	9,464	2,182	46	0	-121.9

APPENDIX 8 – CAPITAL PROGRAMME AND BUDGET 2018/19 to 2022/23

	CAPITAL BUDGET					
	2018/19 £000's	2019/20 £000's	2020/21 £000's	2021/22 £000's	2022/23 £000's	TOTAL £000's
21C Schools - School Reorganisation - Lodge Hill New Build	5,163	0	0	0	0	5,163
21C Schools - Capacity Building - Replacement of Demountables	751	0	0	0	0	751
21C Schools - Special Sector Maes Ebbw	2,900	0	0	0	0	2,900
Jubilee Park - FF&E	30	0	0	0	0	30
Glan Llyn - FF&E	565	0	0	0	0	565
School Asset Improvements	600	0	0	0	0	600
Gypsy/Traveller Site Development	2,123	0	0	0	0	2,123
Indoor Market Facility Improvements	45	0	0	0	0	45
Medieval Ship - Purchase of Freeze Dryer	0	0	0	12	0	12
Central Library Structural Safety Works	663	0	0	0	0	663
Decommissioning of Public Toilets	20	0	0	0	0	20
21C Schools - BAND B	0	14,000	14,000	14,000	14,000	56,000
Renovation Grants	1,620	1,300	1,300	1,300	1,300	6,820
Asset Management	1,500	1,500	1,500	1,500	1,500	7,500
Appliances/Equipment for Disabled	165	165	165	165	165	825
Telecare Service Equipment	45	30	30	30	30	165
IT Replacement Schemes	150	150	150	150	150	750
Fleet Replacement Programme	855	855	855	855	855	4,275
Maintenance, Footways and Street Lighting	500	500	500	500	500	2,500
Road Refurbishment Grant Scheme	1,038	0	0	0	0	1,038

MFD Lease	0	170	0	0	0	170
Cardiff City Region Deal - NCC Share	1,738	496	496	782	782	4,294
Landfill Cell 4 Development	1,281	854	0	0	0	2,135
Market Arcade Townscape Heritage Phase 2 - Delivery Stage	551	551	0	0	0	1,102
Mill Street Development Loan	12,000	0	0	0	0	12,000
Transporter Bridge Townscape Heritage	0	4,313	4,313	4,312	0	12,938
Civil Parking Enforcement	1,336	0	0	0	0	1,336
Peterstone Pumping Station	166	0	0	0	0	166
TOTAL VALUE OF SCHEMES	35,806	24,884	23,309	23,606	19,282	126,886
Funded By:						
General Capital Grant	2,469	2,469	2,469	2,000	2,000	11,407
Supported Borrowing	4,058	4,058	4,058	4,000	3,800	19,974
Unsupported/ Prudential Borrowing	19,541	6,880	5,886	6,711	6,482	45,500
Capital Receipts - remaining 21CS Band A commitment	3,066	0	0	0	0	3,066
External Grants - remaining commitment	5,153	0	0	0	0	5,153
External Grants - future forecast (21CS Band B)		11,111	10,786	10,786	7,000	39,682
Reserve Contributions	1,433	0	0	0	0	1,433
S106 & Other Contributions	86	196	110	110	0	502
Finance Lease	0	170	0	0	0	170
TOTAL FUNDING	35,806	24,884	23,309	23,606	19,282	126,886

APPENDIX 9 TREASURY MANAGEMENT STRATEGY AND PRUDENTIAL INDICATORS

Prudential Code Indicators, Minimum Revenue Policy, Treasury Management and Investment Strategy Statements 2018/19

Introduction

In June 2009 the Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. CIPFA consulted on changes to the Code in 2017, but has yet to publish the full detail required for the revised Code in time for this Strategy.

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

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

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

Revised strategy: In accordance with the WG Guidance, the Authority will be asked to approve a revised Treasury Management Strategy Statement should the assumptions on which this report is based change significantly. Such circumstances would include, for example, a large unexpected change in interest rates, in the Authority's capital programme or in the level of its investment balance.

External Context

Economic background: The major external influence on the Authority's treasury management strategy for 2018/19 will be the UK's progress in negotiating its exit from the European Union and agreeing future trading arrangements. The domestic economy has remained relatively robust since the surprise outcome of the 2016 referendum, but there are indications that uncertainty over the future is now weighing on growth. Transitional arrangements may prevent a cliff-edge, but will also extend the period of uncertainty for several years. Economic growth is therefore forecast to remain sluggish throughout 2018/19.

Consumer price inflation reached 3.0% in September 2017 as the post-referendum devaluation of sterling continued to feed through to imports. Unemployment continued to fall and the Bank of England's Monetary Policy Committee judged that the extent of spare capacity in the economy seemed limited and the pace at which the economy can grow without generating inflationary pressure had fallen over recent years. With its inflation-control mandate in mind, the Bank of England's Monetary Policy Committee raised official interest rates to 0.5% in November 2017.

In contrast, the US economy is performing well and the Federal Reserve is raising interest rates in regular steps to remove some of the emergency monetary stimulus it has provided for the past decade. The European Central Bank is yet to raise rates, but has started to taper its quantitative easing programme, signalling some confidence in the Eurozone economy.

Credit outlook: High profile bank failures in Italy and Portugal have reinforced concerns over the health of the European banking sector. Sluggish economies and fines for pre-crisis behaviour continue to weigh on bank profits, and any future economic slowdown will exacerbate concerns in this regard.

Bail-in legislation, which ensures that large investors including local authorities will rescue failing banks instead of taxpayers in the future, has now been fully implemented in the European Union, Switzerland and USA, while Australia and Canada are progressing with their own plans. In addition, the largest UK banks will ringfence their retail banking functions into separate legal entities during 2018. There remains some uncertainty over how these changes will impact upon the credit strength of the residual legal entities.

The credit risk associated with making unsecured bank deposits has therefore increased relative to the risk of other investment options available to the Authority; returns from cash deposits however remain very low.

Interest rate forecast: The Authority's treasury adviser Arlingclose's central case is for UK Bank Rate to remain at 0.50% during 2018/19, following the rise from the historic low of 0.25%. The Monetary Policy Committee re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.

Future expectations for higher short term interest rates are subdued and on-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions. The risks to Arlingclose's forecast are broadly balanced on both sides. The Arlingclose central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.

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

For the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 0.4%, and that new long-term loans will be borrowed at an average rate of 3.5%.

Local Context

On 31st December 2017, the Authority held £156m of borrowing and £34m of investments. This is set out in further detail at **Appendix B**. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.17 Actual	31.3.18 Estimate	31.3.19 Forecast	31.3.20 Forecast	31.3.21 Forecast

	£m	£m	£m	£m	£m
General Fund CFR	279.1	281.8	292.0	294.2	295.2
Less: Other debt liabilities *	(47.2)	(45.1)	(43.1)	(42.3)	(41.3)
Borrowing CFR	231.9	236.7	248.9	251.9	253.9
Less: External borrowing **	(211.7)	(146.1)	(144.7)	(103.2)	(100.9)
Internal borrowing	20.2	90.6	104.2	148.7	153.0
Less: Usable reserves	(107.2)	(86.3)	(76.9)	(73.2)	(70.6)
Less: Working capital	84.7	4.6	4.6	4.6	4.6
Investments (or New borrowing)	2.3	(8.8)	(31.9)	(80.1)	(87.0)

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

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

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

The Authority has an increasing CFR due to the capital programme, but intends to maintain minimal investments and will therefore be required to borrow up to £87m over the forecast period. This will contain new borrowing for re-financing of maturing loans, of which there is a significant value in 2019/20 due to the stock issue.

CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Authority expects to comply with this recommendation during 2018/19.

Borrowing Strategy

The Authority currently holds £156million of loans, a decrease of £53 million on the previous year, as part of its strategy for funding previous years' capital programmes, and the maturity of loans relating to the Queensberry Ltd borrowing. The balance sheet forecast in table 1 shows that the Authority will need to borrow further in 2018/19, this will mainly be to cover the expected capital loan and the reduction in earmarked reserves. The Authority may however borrow to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £263 million.

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

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

effective in the short-term to either use internal resources, or to borrow short-term loans instead.

By doing so, the Authority is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Authority with this 'cost of carry' and breakeven analysis. Its output may determine whether the Authority borrows additional sums at long-term fixed rates in 2018/19 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

Alternatively, the Authority may arrange forward starting loans during 2018/19, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

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

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

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- capital market bond investors
- special purpose companies created to enable local authority bond issues

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

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

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

LOBOs: The Authority holds £30m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. £30m of these LOBOS have options during 2018/19, and although the Authority understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Authority will

take the option to repay LOBO loans at no cost if it has the opportunity to do so. Total borrowing via LOBO loans will be limited to £30m.

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

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

Investment Strategy

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held, this is due to the receipt from the sale of Friars Walk. In the past 12 months, the Authority's investment balance has ranged between £0 and £35 million, however, the level of investments is expected to reduce over the forthcoming year as funding is required and there is a move back towards holding minimal investments.

Objectives: Both the CIPFA Code and the WG Guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Authority will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

Negative interest rates: If the UK enters into a recession in 2018/19, there is a small chance that the Bank of England could set its Bank Rate at or below zero, which is likely to feed through to negative interest rates on all low risk, short-term investment options. This situation already exists in many other European countries. In this event, security will be measured as receiving the contractually agreed amount at maturity, even though this may be less than the amount originally invested.

Strategy: The majority of the Authority's surplus cash is currently invested in local authorities or short-term unsecured bank deposits. It is expected that the authority will look to diversify its investments into other approved counterparties where it is felt there is the correct balance between security and yield.

Approved counterparties: The Authority may invest its surplus funds with any of the counterparty types in table 2 below, subject to the cash limits (per counterparty) and the time limits shown.

Table 2: Approved investment counterparties and limits

Credit Rating	Banks Unsecured	Banks Secured	Government	Corporates	Registered Providers
UK Govt	Not applicable	Not applicable	£ Unlimited 50 years	Not applicable	Not applicable
AAA	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA+	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
AA-	£5m 2 years	£10m 2 years	£10m 2 years	£5m 2 years	£5m 2 years
A+	£5m 2 years	£10m 2 years	£5m 2 years	£5m 2 years	£5m 2 years
A	£5m 13 months	£10m 2 years	£5m 2 years	£5m 2 years	£5m 2 years
A-	£5m 6 months	£10m 13 months	£5m 2 years	£5m 13 months	£5m 2 years
BBB+	£2.5m 100 days	£5m 6 months	£2.5m 2 years	£2.5m 6 months	£2.5m 2 years
BBB	£2.5m overnight	£5.0m 100 days	Not applicable	Not applicable	Not applicable
None	£1m 6 months	Not applicable	£10m 25 years	Not applicable	Not applicable
Pooled funds	Not applicable				

This table must be read in conjunction with the notes below

Credit rating: Investment limits are set by reference to the lowest published long-term credit rating from Fitch, Moody's or Standard & Poor's. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Banks unsecured: Accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Banks secured: Covered bonds, reverse repurchase agreements and other collateralised arrangements with banks and building societies. These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency, and

means that they are exempt from bail-in. Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.

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

Corporates: Loans, bonds and commercial paper issued by companies other than banks and registered providers. These investments are not subject to bail-in, but are exposed to the risk of the company going insolvent. Loans to unrated companies will only be made either following an external credit assessment or to a maximum of £5,000,000 per company as part of a diversified pool in order to spread the risk widely.

Registered providers: Loans and bonds issued by, guaranteed by or secured on the assets of registered providers of social housing, formerly known as housing associations. These bodies are tightly regulated by the Homes and Communities Agency and, as providers of public services, they retain the likelihood of receiving government support if needed.

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

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

Operational bank accounts: The Authority may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments, but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £5,000,000] per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

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

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

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

Other information on the security of investments: The Authority understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support and reports in the quality financial press. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may meet the credit rating criteria.

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

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

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

The Authority defines “high credit quality” organisations and securities as those having a credit rating of [A-] or higher that are domiciled in the UK or a foreign country with a

sovereign rating of [AA+] or higher. For money market funds and other pooled funds “high credit quality” is defined as those having a credit rating of [A-] or higher.

Non-specified investments: Any investment not meeting the definition of a specified investment is classed as non-specified. The Authority does not intend to make any investments denominated in foreign currencies. Non-specified investments will therefore be limited to long-term investments, i.e. those that are due to mature 12 months or longer from the date of arrangement, Money Market Funds and other pooled funds that are defined as capital expenditure, and investments with bodies and schemes not meeting the definition on high credit quality. Limits on non-specified investments are shown in table 3 below.

Table 3: Non-specified investment limits

	Cash limit
Total long-term investments	£50m
Total invested in other pooled funds	£5m
Total investments without credit ratings or rated below [A-] (except the UK Government and UK local authorities)	£20m
Total non-specified investments	£50m

Investment limits: The Authority’s revenue reserves available to cover investment losses are forecast to be £6.5 million on 31st March 2018. The maximum that will be lent to any one organisation (other than the UK Government) will be £5million. A group of banks under the same ownership will be treated as a single organisation for limit purposes. Limits will also be placed on fund managers, investments in brokers’ nominee accounts, foreign countries and industry sectors as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country, since the risk is diversified over many countries.

Table 4: Investment limits

	Cash limit
Any single organisation, except the UK Central Government	£10m each
UK Central Government	unlimited
Any group of organisations under the same ownership	£10m per group
Registered providers	£5m in total
Unsecured investments with building societies	£5m in total
Loans to unrated corporates	£5m in total

Liquidity management: The Authority uses purpose-built cash flow forecasting to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Authority being forced to borrow on

unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Authority's medium term financial plan and cash flow forecast.

Non-Treasury Investments

Although not classed as treasury management activities and therefore not covered by the CIPFA Code or the WG Guidance, the Authority may also purchase property for investment purposes and may also make loans and investments for service purposes, for example as loans to local businesses and landlords, or as equity investments and loans to the Authority's subsidiaries.

Such loans and investments will be subject to the Authority's normal approval processes for revenue and capital expenditure and need not comply with this treasury management strategy.

The Authority's existing non-treasury investments are listed in Appendix B.

Treasury Management Indicators

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

Interest rate exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the proportion of interest payable will be:

	2018/19	2019/20	2020/21
Upper limit on fixed interest rate exposure	100%	100%	100%
Upper limit on variable interest rate exposure	50%	50%	50%

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

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

	Upper	Lower
Under 12 months	70%	0%
12 months and within 24 months	60%	0%
24 months and within 5 years	60%	0%
5 years and within 10 years	50%	0%
10 years and within 20 years	30%	0%
20 years and within 30 years	20%	0%
30 years and within 40 years	20%	0%
40 years and within 50 years	20%	0%

50 years and above	20%	0%
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Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

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

	2018/19	2019/20	2020/21
Limit on principal invested beyond year end	£40m	£10m	£10m

Other Items

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

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

Investment training: The needs of the Authority's treasury management staff for training in investment management are assessed every three months as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change.

Staff regularly attend training courses, seminars and conferences provided by Arlingclose and CIPFA. Relevant staff are also encouraged to study professional qualifications from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

Investment advisers: The Authority has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital finance issues.

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

The total amount borrowed will not exceed the authorised borrowing limit of £263 million. The maximum period between borrowing and expenditure is expected to be two years, although the Authority is not required to link particular loans with particular items of expenditure.

Financial Implications

The budget for investment income in 2018/19 is £0.04 million. The budget for debt interest paid in 2018/19 is £9.1 million, based on an average debt portfolio of £150 million at an average interest rate of 4.5%. If actual levels of investments and borrowing, and actual interest rates differ from those forecast, performance against budget will be correspondingly different.

Other Options Considered

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

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

Appendix A – Arlingclose Economic & Interest Rate Forecast November 2017

Underlying assumptions:

- In a 7-2 vote, the MPC increased Bank Rate in line with market expectations to 0.5%. Dovish accompanying rhetoric prompted investors to lower the expected future path for interest rates. The minutes re-emphasised that any prospective increases in Bank Rate would be expected to be at a gradual pace and to a limited extent.
- Further potential movement in Bank Rate is reliant on economic data and the likely outcome of the EU negotiations. Policymakers have downwardly assessed the supply capacity of the UK economy, suggesting inflationary growth is more likely. However, the MPC will be wary of raising rates much further amid low business and household confidence.
- The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. While recent economic data has improved, it has done so from a low base: UK Q3 2017 GDP growth was 0.4%, after a 0.3% expansion in Q2.
- Household consumption growth, the driver of recent UK GDP growth, has softened following a contraction in real wages, despite both saving rates and consumer credit volumes indicating that some households continue to spend in the absence of wage growth. Policymakers have expressed concern about the continued expansion of consumer credit; any action taken will further dampen household spending.
- Some data has held up better than expected, with unemployment continuing to decline and house prices remaining relatively resilient. However, both of these factors can also be seen in a negative light, displaying the structural lack of investment in the UK economy post financial crisis. Weaker long term growth may prompt deterioration in the UK's fiscal position.
- The depreciation in sterling may assist the economy to rebalance away from spending. Export volumes will increase, helped by a stronger Eurozone economic expansion.
- Near-term global growth prospects have continued to improve and broaden, and expectations of inflation are subdued. Central banks are moving to reduce the level of monetary stimulus.
- Geo-political risks remains elevated and helps to anchor safe-haven flows into the UK government bond (gilt) market.

Forecast:

- The MPC has increased Bank Rate, largely to meet expectations they themselves created. Future expectations for higher short term interest rates are subdued. On-going decisions remain data dependant and negotiations on exiting the EU cast a shadow over monetary policy decisions.
- Our central case for Bank Rate is 0.5% over the medium term. The risks to the forecast are broadly balanced on both sides.

- The Arlingclose central case is for gilt yields to remain broadly stable across the medium term. Upward movement will be limited, although the UK government's seemingly deteriorating fiscal stance is an upside risk.

	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.19
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	0.00	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.15
3-month LIBID rate														
Upside risk	0.10	0.10	0.10	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.22
Arlingclose Central Case	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Downside risk	-0.10	-0.10	-0.15	-0.15	-0.15	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.25	-0.20
1-yr LIBID rate														
Upside risk	0.15	0.15	0.20	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.27
Arlingclose Central Case	0.70	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.80	0.77
Downside risk	-0.15	-0.20	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.30	-0.15	-0.15	-0.26
5-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	0.75	0.75	0.80	0.80	0.80	0.85	0.90	0.90	0.95	0.95	1.00	1.05	1.10	0.89
Downside risk	-0.20	-0.20	-0.25	-0.25	-0.25	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
10-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.25	1.25	1.25	1.25	1.25	1.30	1.30	1.35	1.40	1.45	1.50	1.55	1.55	1.36
Downside risk	-0.20	-0.25	-0.25	-0.25	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40	-0.40	-0.40	-0.40	-0.33
20-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.85	1.85	1.85	1.85	1.85	1.90	1.90	1.95	1.95	2.00	2.05	2.05	2.05	1.93
Downside risk	-0.20	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.38
50-yr gilt yield														
Upside risk	0.20	0.25	0.25	0.25	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.40	0.32
Arlingclose Central Case	1.70	1.70	1.70	1.70	1.70	1.75	1.80	1.85	1.90	1.95	1.95	1.95	1.95	1.82
Downside risk	-0.30	-0.30	-0.25	-0.25	-0.30	-0.35	-0.40	-0.45	-0.50	-0.50	-0.50	-0.50	-0.50	-0.39

Appendix B – Existing Investment & Debt Portfolio Position

	31 December 2017 Actual Portfolio £'000	31 December 2017 Average Rate %
External borrowing:		
Public Works Loan Board	70,488	4.47
Local authorities	10,500	0.41
LOBO loans from banks	30,000	4.33
Other loans	5,000	3.77
Stock Issue	40,000	8.88
Total external borrowing	155,988	5.30
Other long-term liabilities:		
Private Finance Initiative	47,300	
Finance Leases	87	
Total other long-term liabilities	47,387	
Total gross external debt	203,375	
Treasury investments:		
Banks & building societies (unsecured)	2,480	0.30
Government (incl. local authorities)	32,000	0.40
Total treasury investments	34,480	0.40
Net debt	168,895	

Non-treasury investments:		
Investment property	10,396	
Shares in subsidiaries	251	
Total non-treasury investments	10,647	
Total investments	45,127	

Appendix C – Operational Investment Counterparties List

COUNTERPARTY LIMITS FOR BANKING – UK INSTITUTIONS

Counterparty - Banking UK Institutions	Unsecured Investments		Secured Investments	
	Maximum Counterparty Limit and Group Limit (if applicable)	Maximum Lending Period	Maximum Counterparty Limit and Group Limit (if applicable)	Maximum Lending Period
Bank of Scotland	£5,000,000	13 Months	£10,000,000	2 years
Barclays Bank Plc.	£5,000,000	100 Days	£10,000,000	2 years
Close Brothers Ltd	£5,000,000	6 Months	£10,000,000	2 years
Goldman Sachs International Bank	£5,000,000	100 Days	£10,000,000	2 years
HSBC Bank Plc.	£5,000,000	13 Months	£10,000,000	2 years
Lloyds Bank Plc.	£5,000,000	13 Months	£10,000,000	2 years
National Westminster Bank Plc.	£2,500,000	35 Days	£10,000,000	2 years
Nationwide Building Society	£5,000,000	6 Months	£10,000,000	2 years
Royal Bank of Scotland	£2,500,000	35 Days	£10,000,000	2 years
Santander UK Plc. (Banco Santander Group)	£5,000,000	6 Months	£10,000,000	2 years
Standard Chartered Bank	Suspended		£10,000,000	2 years

Appendix 9(2) - Prudential Indicators 2018/19

The Local Government Act 2003 requires the Authority to have regard to the Chartered Institute of Public Finance and Accountancy's *Prudential Code for Capital Finance in Local Authorities* (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable, and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Authority has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure: The Authority's planned capital expenditure and financing may be summarised as follows. Further detail will be provided in the capital programme report for the budget strategy.

Capital Expenditure and Financing	2017/18 Revised	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
	£m	£m	£m	£m
Total Capital Expenditure	39.6	35.8	24.9	23.3
Capital Receipts	7.7	3.1	0.0	0.0
Government Grants	14.7	7.6	13.6	13.3
Reserves	1.3	1.4	0.0	0.0
Revenue	1.9	0.1	0.2	0.1
Borrowing	13.8	23.6	10.9	9.9
Leasing and PFI	0.2	0.0	0.2	0.0
Total Financing	39.6	35.8	24.9	23.3

Estimates of Capital Financing Requirement: The Capital Financing Requirement (CFR) measures the Authority's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.18 Revised	31.03.19 Estimate	31.03.20 Estimate	31.03.21 Estimate
	£m	£m	£m	£m
General Fund CFR	281.8	298.0	300.8	302.0

The CFR is forecast to rise by £21m over the next three years as capital expenditure financed by debt is outweighed by resources put aside for debt repayment in those years, however this is mainly due to the expected capital loan of £12m, which will be repaid in 2022/23 this will reduce the CFR to close to current levels.

Gross Debt and the Capital Financing Requirement: In order to ensure that over the medium term debt will only be for a capital purpose, the Authority should ensure that debt

does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.18 Revised £m	31.03.19 Estimate £m	31.03.20 Estimate £m	31.03.21 Estimate £m
Borrowing	156.0	176.9	185.9	190.9
Finance leases	0.1	0.1	0.0	0.0
PFI liabilities	45.1	43.1	42.3	41.3
Total Debt	201.1	220.0	228.3	232.3

Total debt is expected to remain below the CFR during the forecast period.

Operational Boundary for External Debt: The operational boundary is based on the Authority's estimate of most likely (i.e. prudent but not worst case) scenario for external debt. It links directly to the Authority's estimates of capital expenditure, the capital financing requirement and cash flow requirements, and is a key management tool for in-year monitoring. Other long-term liabilities comprise finance lease, Private Finance Initiative and other liabilities that are not borrowing but form part of the Authority's debt.

Operational Boundary	2017/18 Revised £m	2018/19 Estimate £m	2019/20 Estimate £m	2020/21 Estimate £m
Borrowing	288	197	206	211
Other long-term liabilities	46	46	44	43
Total Debt	334	243	250	254

Authorised Limit for External Debt: The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Authority can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2017/18 Limit £m	2018/19 Limit £m	2019/20 Limit £m	2020/21 Limit £m
Borrowing	308	217	226	231
Other long-term liabilities	46	46	44	43
Total Debt	354	263	270	274

Ratio of Financing Costs to Net Revenue Stream: This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2017/18 Revised	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
	%	%	%	%
General Fund	7.6%	7.6%	7.0%	7.1%

Incremental Impact of Capital Investment Decisions: This is an indicator of affordability that shows the impact of capital investment decisions on Council Tax levels. The incremental impact is the difference between the total revenue budget requirement of the current approved capital programme and the revenue budget requirement arising from the capital programme proposed.

Incremental Impact of Capital Investment Decisions	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
	£	£	£
General Fund - increase in annual band D Council Tax	2.33	-2.97	3.92

Adoption of the CIPFA Treasury Management Code: The Authority adopted the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2011 Edition* in June 2009. It fully complies with the Codes recommendations.

Appendix D – Annual Minimum Revenue Provision Statement 2018/19

Where the Authority finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008. The Local Government Act 2003 requires the Authority to have regard to the Welsh Government's *Guidance on Minimum Revenue Provision* (the WG Guidance) most recently issued in 2010.

The broad aim of the WG Guidance is to ensure that debt is repaid over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

The WG Guidance requires the Authority to approve an Annual MRP Statement each year, and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.

For supported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in equal instalments. For unsupported capital expenditure incurred after 31st March 2008, MRP will be determined by charging the expenditure over the expected useful life of the relevant asset in on an annuity basis with an annual interest rate equal to the average relevant PWLB rate for the year of expenditure, starting in the year after the asset becomes operational.

For capital expenditure loans to third parties that are repaid over a short time period or more frequent instalments of principal, the Council will make nil MRP, but will instead apply the capital receipts arising from principal repayments to reduce the capital financing requirement instead.

Capital expenditure incurred during 2018/19 will not be subject to a MRP charge until 2019/20.

Based on the Authority's latest estimate of its Capital Financing Requirement on 31st March 2017, the budget for MRP has been set as follows:

	31.03.2018 Estimated CFR £m	2018/19 Estimated MRP £m
Supported capital expenditure	164	4
Unsupported capital expenditure	73	3
Finance leases and Private Finance Initiative	45	2
Total General Fund	282	9

APPENDIX 10 – MEDIUM TERM FINANCIAL PLAN (MTFP)

	2018/19	2019/20	2020/21	2021/22	TOTAL
Pressures					
Inflation	3,523	5,387	3,599	3,695	16,204
Other	13,538	5,944	5,446	3,736	28,664
Total Pressures	17,061	11,331	9,046	7,431	44,868
Transfer to/ (from) Reserves	- 1,200	300	600	300	-
(INCREASE)/DECREASE IN REVENUE SUPPORT GRANT(Final settlement 2.18%, assumed -1.0% in 19/20 and thereafter)	- 4,540	2,062	2,041	2,022	1,584
Increase in tax base - C.Tax @ 17/18 rate	- 853	-	-	-	853
C. Tax @ 4% until 2021/22 (new tax base)	- 2,359	- 2,379	- 2,399	- 2,419	9,556
Less consequential increase in benefits	642	476	480	484	2,082
GAP	8,751	11,789	9,767	7,818	38,125
Savings	9,464	2,182	46	-	11,692
Balance - @ -1.0% WG reduction 2019/20 onwards	- 713	9,607	9,721	7,818	26,434

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APPENDIX 11 – RECONCILIATION OF MOVEMENTS SINCE BUDGET CONSULTATION

	18/19	19/20	20/21	21/22
Inflation	2,273	3,507	3,599	3,695
Investments	11,338	5,944	5,449	3,736
Savings	(7,408)	(2,182)	(46)	0
RSG/ CTax	(5,388)	182	145	110
December 2017 MTFP balances	815	7,451	9,147	7,541
<u>Movement since consultation/ December 2017 Update</u>				
Transfer from Reserves	(1,200)	(2,400)	0	0
Transfer to reserves	0	300	600	300
RSG/ CTax - Change of RSG assumptions				
Final settlement - adjustment for Council tax base	(1,108)	(24)	(26)	(23)
Tax base adjustment	(264)	0	0	0
Adj to savings	(6)	0	0	0
B/F MRP policy saving	(2,400)	2,400	0	0
Tfr of MRP policy saving into specific contingency	2,200	0	0	0
Tfr balance of MRP saving to SEN inflation	200	0	0	0
Funding for NJC (non-teaching staff) pay award	1,050	1,880	0	0
February 2018 MTFP Balances	(713)	9,607	9,721	7,818

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APPENDIX 12 – EQUALITIES ISSUES

Budget Proposals and Fairness and Equality Impact Assessments (FEIA).

Under the specific Welsh duties of the Equality Act 2010, Fairness and Equality Impact Assessments (FEIAs) are a statutory obligation for public sector organisations in Wales. FEIAs are used to assess the likely impact of proposed policies and practices against the authority's ability to comply with its equality duties.

FEIAs were carried out on a number of business proposals this year to ensure that the decisions the authority is proposing to make are reasonable, proportionate and fair. The following proposals had FEIAs undertaken:

Adult and community services

- [Domiciliary care services](#) (pdf)
- [Supported living agency](#) (pdf)
- [Development of day opportunities for adults](#) (pdf)
- [Review of Oaklands short breaks service](#) (pdf)

Education

- [Specific learning difficulties service](#) (pdf)
- [Education psychology service](#) (pdf)
- [Education welfare service](#) (pdf)
- [Pupil referral unit](#) (pdf)

Streetscene and city services

- [Cemetery and other facilities](#) (pdf)
- [Parking charges in parks](#) (pdf)
- [Closure of public toilets](#) (pdf)
- [Customer services opening times](#) (pdf)

The detailed results of these FEIAs are on the budget pages of the Council's website at the following link:

<http://www.newport.gov.uk/en/Council-Democracy/Equalities-the-Welsh-language/Equality-Impact-Assessments/FEIAs-2018-2019.aspx>

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APPENDIX 13b - PROJECTED EARMARKED RESERVES

Reserve	Balance at 31-Mar-17	Balance at 31-Mar-18	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21
	£'000	£'000	£'000	£'000	£'000
Council Fund:	(6,500)	(6,500)	(6,500)	(6,500)	(6,500)
Balances held by schools for future use	(4,831)	(1,831)	(1,831)	(1,831)	(1,831)
Earmarked Reserves:					
Music Service	(167)	(127)	(127)	(127)	(127)
Capital Expenditure	(5,817)	(3,513)	(2,013)	(513)	-
Insurance Reserve	(1,706)	(1,706)	(1,706)	(1,706)	(1,706)
MMI Insurance Reserve	(602)	(302)	-	-	-
Health & Safety	(16)	(16)	(16)	(16)	(16)
Education Achievement Service	(92)	(92)	-	-	-
Schools Redundancies	(708)	-	-	-	-
Friars Walk	(9,985)	(6,235)	(5,735)	(5,235)	(4,735)
NEW - European Funding I2A & CFW	(79)	(199)	(199)	(199)	(199)
NEW - Metro Bus	(9)	-	-	-	-
SUB TOTAL - RISK RESERVES	(19,181)	(12,190)	(9,796)	(7,796)	(6,783)
Pay Reserve	(1,418)	(1,651)	(1,651)	(1,651)	(1,651)
Invest to Save	(11,050)	(9,908)	(7,980)	(7,744)	(7,594)
Super Connected Cities	(670)	(543)	(423)	(303)	(183)
Landfill (fines reserve)	(345)	(345)	(150)	-	-
Christmas Lights	(15)	-	-	-	-
Usable Capital Receipts	(11,742)	(4,086)	(1,420)	(920)	(420)
SUB TOTAL - ENABLING RESERVES	(25,240)	(16,533)	(11,624)	(10,618)	(9,848)
STEP School Computers	(473)	(373)	(273)	(173)	(73)
Municipal Elections	(154)	(27)	(57)	(87)	(117)
Local Development Plan	(572)	(581)	(480)	(307)	(207)
Glan Usk PFI	(1,499)	(1,499)	(1,489)	(1,469)	(1,439)
Southern Distributor Road PFI	(44,515)	(44,303)	(43,963)	(43,485)	(42,935)
SUB TOTAL - SMOOTHING RESERVES	(47,213)	(46,784)	(46,263)	(45,522)	(44,772)

Reserve	Balance at 31-Mar-17	Balance at 31-Mar-18	Balance at 31-Mar-19	Balance at 31-Mar-20	Balance at 31-Mar-21
	£'000	£'000	£'000	£'000	£'000
Works of art	(21)	(21)	(21)	(21)	(21)
School Works	(545)	(357)	(357)	(357)	(357)
Theatre & Arts Centre	(232)	(232)	(232)	(232)	(232)
Cymorth Income	(33)	-	-	-	-
Pupil Referral Unit	(60)	(60)	-	-	-
Gypsy and Traveller Site	(7)	(7)	(7)	(7)	(7)
Homelessness Prevention	(38)	(38)	-	-	-
Environmental Health - Improve Air Quality	(49)	-	-	-	-
Refurbishment of a Children / Older People Homes	(102)	(18)	-	-	-
Apprenticeship Scheme	(80)	(74)	(31)	(31)	(31)
City Economic Development	(90)	(45)	-	-	-
Welsh Language Standards	(240)	(180)	(120)	(60)	-
YS Dilapidation Costs Information Shop	(51)	(41)	-	-	-
NEW - School Reserve Other	(1,100)	(457)	-	-	-
NEW - Port Health	(3)	(6)	(6)	(6)	(6)
NEW - CRM	(21)	-	-	-	-
NEW - WCCIS	(54)	-	-	-	-
NEW - Investment Reserve	(1,500)	(996)	-	-	-
NEW - 2018 Events	-	(100)	-	-	-
SUB TOTAL - OTHER RESERVES	(4,226)	(2,631)	(774)	(714)	(654)
RESERVES TOTAL	(107,190)	(86,468)	(76,786)	(72,979)	(70,386)

APPENDIX 13c - SUMMARY OF INVEST TO SAVE SPEND AND FORECAST

<u>Invest To Save - Summary Forecast</u>	
	£'000
Balance B/F 31.03.2017	(11,050)
Total Forecast Spend 2017/18	1,142
Invest to Save Forecast balance 31.03.2018	(9,908)
Further Funding Required:-	
Bids & Change/Efficiency proposals	
2018/19	1,130
2019/20	0
2020/21	150
Implementation costs from 2018/19 MTFP Business Cases	1,034
Remaining Invest to Save reserve available for future Change/Efficiency Programme	<u>(7,594)</u>

APPENDIX 14 – FEES & CHARGES

SERVICE AREA: Social Services

Income Source	Current Charge (Exc VAT)	Proposed Charge (Exc VAT)	Unit of charge	% Increase	Reason if different from 4% fee increase MTFP assumption
	£ (2 d.p)	£ (2 d.p)	(per hr/ day etc)		
Other Local Authorities Charges					
<u>Local Authority Residential Homes (£/week)</u>					
Blaen-y-pant - Residential Care	550.00	560.00	per week	1.81%	A review of the market of other Local Authority charges and private sector homes, these increases bring the fees in line.
Blaen-y-pant - Dementia Care	605.00	650.00	per week	7.43%	
Parklands - Residential Care	550.00	560.00	per week	1.81%	
Spring Gardens - Dementia Care	605.00	650.00	per week	7.43%	
<u>External Respite Facilities (£/week)</u>					
Centrica	903.00	975.00	per week	7.97%	As above
<u>Day Services (£/Day)</u>					
Day Services/Opportunities – Learning Disability	75.00	97.00	per day	29.33%	Full cost recovery of providing a place
Day Services/Opportunities – Mental Health/Older People	56.00	84.00	per day	50.00%	Full cost recovery of providing a place
Spring Gardens Day Opportunities	56.00	84.00	per day	50.00%	Full cost recovery of providing a place
<u>Supported Housing (£/week)</u>					
Supported Housing for Learning Disability clients	855.00	1,022.00	per week	19.49%	Full cost recovery of providing a place

Income Source	Current Charge (Exc VAT)	Proposed Charge (Exc VAT)	Unit of charge	% Increase	Reason if different from 4% fee increase MTFP assumption
	£ (2 d.p)	£ (2 d.p)	(per hr/ day etc)		
Newport Residents Charges					
<u>Local Authority Residential Homes (£/week – Short Term Stays over 9 weeks and Permanent Admissions</u> Blaen-y-pant - Residential Care Blaen-y-pant - Dementia Care Parklands - Residential Care Spring Gardens - Dementia Care Applicable to those who have capital in excess of £40k (capital threshold level set by the WG) or sufficient disposable income.	550.00 605.00 550.00 605.00	560.00 650.00 560.00 650.00	per week per week per week per week	1.81% 7.43% 1.81% 7.43%	A review of the market of other Local Authority charges and private sector homes, these increases bring the fees in line.
<u>Local Authority Residential Homes (£/week – Short Term Stays up to 8 weeks duration</u> Blaen-y-pant - Residential Care Blaen-y-pant - Dementia Care	Charged under non-residential charging policy and capped at £70 per week (current rate set by WG and due to be increased in April 2018)			N/A	

Income Source	Current Charge (Exc VAT)	Proposed Charge (Exc VAT)	Unit of charge	% Increase	Reason if different from 4% fee increase MTFP assumption
	£ (2 d.p)	£ (2 d.p)	(per hr/ day etc)		
Parklands - Residential Care Spring Gardens - Dementia Care					
<u>External Respite Facilities (£/week – short term stays up to 8 weeks duration)</u>					
Centrica <u>Supported Housing (£/week) Inter Authority Charges</u> Supported Housing for Learning Disability clients <u>Day Services (£/Day)</u> Day Services/Opportunities – Learning Disability Day Services/Opportunities – Mental Health/Older People Spring Gardens Day Opportunities				N/A	
<u>Extracare Services (£/hour)</u>					
Domiciliary Services	14.00	14.70	per meal	5.00%	Increase to recover the costs of providing the meal
<u>Meal Income (per meal)</u>					
All Establishments (Service Users, Visitors & Staff)	3.00	3.50	per meal	16.67%	Increase to recover costs of providing the meal
<u>Legal and Administration Charges</u>					
Deferred Payment Administration	60.00	100.00	each	66.66%	Review deemed the previous charges were insufficient to cover the cost of legal and administration of the charge. Includes land

Income Source	Current Charge (Exc VAT)	Proposed Charge (Exc VAT)	Unit of charge	% Increase	Reason if different from 4% fee increase MTFP assumption
	£ (2 d.p)	£ (2 d.p)	(per hr/ day etc)		
Charge (DPA)					registry costs and administrative and professional costs for preparing the DPA contract and placing land charges
Legal Charge	40.00	50.00	each	25.00%	
Residential Care- Provided by External Providers Non-Residential Care- Provided by External Providers Direct Payments Telecare Where services are provided by external providers the charges made are based on actual costs paid to providers (after income assessment has been made)	Charged under non-residential charging policy and capped at £70* per week (*current rate set by WG and due to be increased in April 2018)			N/A	

SERVICE AREA: Regeneration, Investment & Housing

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
<u>Building Control Fees</u>							Building control fees will not be increased as they have been benchmarked against external competitors; which could result in a loss of market share. Performance against budget shows this is currently achievable.
Single Storey Extensions							
Single storey extension floor area not exceeding 10m2							
Full plans charge	325.00	325.00	487.50	487.50	each	0%	
Single storey extension floor area exceeding 10m2 but not exceeding 40m2							
Full plans charge	404.17	404.17	606.26	606.26	each	0%	
Single storey extension floor area exceeding 40m2 but not 100m2							
Full plans charge	570.83	570.83	856.25	856.25	each	0%	
Two Storey Extension							
Two storey Extension not exceeding 40m2							
iii) building notice charge	466.67	466.67	700.00	700.00	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Two storey Extension exceeding 40m2 but not exceeding 100m2							
Full plans charge	570.83	570.83	856.25	856.25	each	0%	
Loft Conversions							
Loft conversion that does not include the construction of a dormer	420.83	420.83	631.25	631.25	each	0%	
Loft conversion that does include the construction of a dormer	466.67	466.67	700.00	700.00	each	0%	
Garages and Carports							
Erection of extension of a non-exempt detached domestic garage or carport upto 100m2	245.83	245.83	368.75	368.75	each	0%	
Erection of a non-exempt attached single storey extension of a domestic garage or carport upto 100m2	245.83	245.83	368.75	368.75	each	0%	
Other							
Conversion of a garage to a habitable room(s)	245.83	245.83	368.75	368.75	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Alterations to extend or create a basement upto 100m2	466.67	466.67	700.00	700.00	each	0%	
Underpinning	229.17	229.17	343.76	343.76	each	0%	
Renovation of a thermal element to a single dwelling	87.50	87.50	131.25	131.25	each	0%	
Creation of New Dwelling							
i) Plan charge	203.13	203.13			each	0%	
ii) Inspection charge	406.87	406.87			each	0%	
iii) building notice charge	610.00	610.00	915.00	915.00	each	0%	
Internal alterations							
i) cost of works <£2000	125.00	125.00	187.50	187.50	each	0%	
ii) cost of works £2001 to £5000	204.17	204.17	306.26	306.26	each	0%	
iii) cost of works £5001 to £15000	245.83	245.83	368.00	368.00	each	0%	
iv) cost of works £15001 ot £25000	345.83	345.83	368.75	368.75	each	0%	
v) cost of works £25001 to £40000	441.67	441.67	662.50	662.50	each	0%	
vi) cost of works £40001 to £60000	537.50	537.50	806.35	806.35	each	0%	
Window Replacement							
Window Replacement (non competent persons scheme) - 1 to 3 windows	83.33	83.33	125.00	125.00	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Window Replacement (non competent persons scheme) - 4 to 20 windows	125.00	125.00	187.50	187.50	each	0%	
Window Replacement (non competent persons scheme) - 20+ windows	208.33	208.33	312.50	312.50	each	0%	
Electrical Work							
Electrical work (not competent persons scheme) carried out by a qualified Electrician in accordance with BS7671	133.33	133.33	200.00	200.00	each	0%	
Electrical Work carried out by others	279.17	279.17	418.76	418.76	each	0%	
Installation of Heat Producing Appliance							
Installation of solid fuel heat producing appliance where the installer is not a member of a competent persons scheme	125.00	125.00	187.50	187.50	each	0%	
Non Domestic Work							
Commercial Building - Floor Area not exceeding 40m2	533.00	533.00	799.50	799.50	each	0%	
Commercial Building - Floor Area exceeding 40m2 but not exceeding	612.50	612.50	918.75	918.75	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
100m2							
Commercial Building - Floor Area exceeding 100m2 but not exceeding 200m2	891.67	891.67	1,337.51	1,337.51	each	0%	
Underpinning - Est. cost upto £50,000	341.67	341.67	512.51	512.51	each	0%	
Underpinning - Est. cost exceeding £50,000 and up to £100,000	441.67	441.67	662.51	662.51	each	0%	
Underpinning - Est. cost upto £100,000 and upto £250,000	550.00	550.00	825.00	825.00	each	0%	
Window Replacement							
Window Replacement - 1 to 20 windows	204.17	204.17	306.63	306.63	each	0%	
Window Replacement - 21 to 50 windows	325.00	325.00	487.50	487.50	each	0%	
New Shop front(s)							
Window Replacement - 1 to 20 windows	291.67	291.67	437.51	437.51	each	0%	
Window Replacement - 21 to 50 windows	370.83	370.83	556.25	556.25	each	0%	
Renovation of a thermal element - Est. cost upto £50,000	204.17	204.17	306.63	306.63	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Renovation of a thermal element - Est. cost exceeding £50,000 and upto £100,000	245.83	245.83	368.75	368.75	each	0%	
Renovation of a thermal element - Est. cost exceeding £100,000 and upto £250,000	312.50	312.50	468.75	468.75	each	0%	
Alterations not described elsewhere inc. structural alterations and installation of controlled fittings							
Estimated cost upto £5,000	204.17	204.17	306.63	306.63	each	0%	
Estimated cost exceeding £5,000 and upto £15,000	262.50	262.50	393.75	393.75	each	0%	
Estimated cost exceeding £15,000 and upto £25,000	345.83	345.83	518.75	518.75	each	0%	
Estimated cost exceeding £25,000 and upto £50,000	508.33	508.33	762.50	762.50	each	0%	
Estimated cost exceeding £50,000 and upto £75,000	675.00	675.00	1,012.50	1,012.50	each	0%	
Estimated cost exceeding £75,000 and upto £100,000	795.83	795.83	1,193.75	1,193.75	each	0%	
Installation of Mezzanine floor upto	587.50	587.50	881.25	881.25	each	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
500m2							
Office Fit Out - floor upto 500m2	570.83	570.83	858.25	858.25	each	0%	
Office Fit Out - floor 500m2 to 2000m2	733.33	733.33	1,100.00	1,100.00	each	0%	
Shop fit out - Floor upto 500m2	570.83	570.83	856.25	856.25	each	0%	
Shop fit out - Floor 500m2 to 2000m2	733.33	733.33	1,100.00	1,100.00	each	0%	
Letter of acceptance to AIs	20.00	20.00	20.00	20.00	each	0%	
Preliminary enquiries	50% of plan fee	50% of plan fee	50% of plan fee	50% of plan fee	each		
Market Rents	various based on size of stall and facilities	various based on size of stall and facilities			each	0%	Rentals are long term leases / licenses that will remain the same next year. Performance against budget makes this achievable.
Civic Centre	The charges for the Civic Centre below are subject to charging under the following criteria:						

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
-	Full Charge: Industrial or Business Organisations; Organisations whose members are engaged in trade, business or professional practice (other than student associations); Statutory official or Government Bodies including Local Government except where reciprocal arrangements apply						
-	Half Price: Political, Social or Trade Union Groups not included under full price or Free						
-	Free (this applies to evening sessions only): Organisations devoted exclusively to charitable causes; Societies for the handicapped; Organisations for promotion of recreational activities for young people; Trade Union Branches whose members are employed by Newport City Council; Any political group meetings of Councillors and invited guests are free of charge (provided that not more than 25 % of the people attending the political group meetings are non-Councillors). NB Any registered charities chaired by the Mayor of Newport can use the meeting rooms free of charge at any time						
Civic Centre Room Hire							
Council Chamber	68.00	71.00			Per Session	4%	
	213.00	221.50			Per Day	4%	
Committee Room 1	36.00	37.50			Per Session	4%	
	109.00	113.00			Per Day	4%	
Committee Room 2	26.00	27.00			Per Session	4%	
	78.00	81.00			Per Day	4%	
Committee Room 3	26.00	27.00			Per	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
					Session		
	78.00	81.00			Per Day	4%	
Committee Room 4	26.00	27.00			Per Session	4%	
	78.00	81.00			Per Day	4%	
Committee Room 5	21.00	21.80			Per Session	4%	
	62.00	64.50			Per Day	4%	
Committee Room 7	62.00	64.50			Per Session	4%	
	187.00	194.50			Per Day	4%	
<u>Equipment Hire</u>							
Digital Projector	9.40	9.80			per meeting	4%	
Television	9.40	9.80			per meeting	4%	
Video	5.20	5.40			per meeting	4%	
OHP	5.20	5.40			per meeting	4%	
Screen	4.20	4.35			per meeting	4%	
Flipchart Stand	4.20	4.35			per	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
					meeting		
Slide Projector	5.40	5.60			per meeting	4%	
Full facilities in Committee Room 7 including staff assistance	57.20	59.50			per meeting	4%	
Council Chamber Microphones	28.60	29.75			per meeting	4%	
Council Chamber 1 Microphone	12.50	13.00			per meeting	4%	
<u>Community Centres Room Hire</u>							
Caerleon Town Hall							
Non Profit Making/ Voluntary Organisations							
Town Hall	10.20	10.60			per hour	4%	
Memorial Hall	8.00	8.30			per hour	4%	
Council Chamber	8.00	8.30			per hour	4%	
Hire of Kitchen	6.20	6.45			per hour	4%	
First Floor	10.20	10.60			per hour	4%	
Small Group Organisations							
Town Hall	13.00	13.50	per hour	4%			

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption	
Memorial Hall	10.20	10.60			per hour	4%		
Council Chamber	10.20	10.60			per hour	4%		
Hire of Kitchen	7.20	7.50			per hour	4%		
First Floor	13.00	13.50			per hour	4%		
Commercial/ Business (per hour)								
Town Hall	16.00	16.60			per hour	4%		
Memorial Hall	13.00	13.50			per hour	4%		
Council Chamber	13.00	13.50			per hour	4%		
Hire of Kitchen	8.30	8.60			per hour	4%		
First Floor	14.00	14.50			per hour	4%		
Ringland Community Centre								
Non Profit Making/ Voluntary Organisations (per Hour)								
Main Hall	10.20	10.60			per hour	4%		
Meeting Rooms	8.00	8.30			per hour	4%		
Hire of Kitchen	6.10	6.35			per hour	4%		

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Changing Rooms	13.10	13.60			per hour	4%	
Small Group Organisations (per hour)							
Main Hall	13.00	13.50			per hour	4%	
Meeting Rooms	10.20	10.60			per hour	4%	
Hire of Kitchen	7.20	7.50			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Changing Rooms	13.10	13.60			per hour	4%	
Commercial/ Business (per hour)							

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Main Hall	16.00	16.60			per hour	4%	
Meeting Rooms	13.00	13.50			per hour	4%	
Hire of Kitchen	8.30	8.60			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Changing Rooms	13.10	13.60			per hour	4%	
Always Community Centre							
Non Profit Making/ Voluntary Organisations (per Hour)							
Main Hall	10.20	10.65			per hour	4%	
Meeting Rooms	8.00	8.35			per hour	4%	
Hire of Kitchen	6.10	6.35			per hour	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Commercial/ Business (per hour)							
Main Hall	16.00	16.60			per hour	4%	
Meeting Rooms	13.00	13.50			per hour	4%	
Hire of Kitchen	8.30	8.60			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Changing Rooms	13.10	13.60			per hour	4%	
Rivermead Community Centre							
Non Profit Making/ Voluntary Organisations (per Hour)							
Main Hall	9.80	10.20			per hour	4%	
Meeting Rooms	9.50	9.90			per hour	4%	
Hire of Kitchen	5.90	6.15			per hour	4%	
Small Group Organisations (per hour)							
Main Hall	11.30	11.75	per hour	4%			

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Meeting Rooms	10.90	11.35			per hour	4%	
Hire of Kitchen	5.90	6.15			per hour	4%	
Commercial/ Business (per hour)							
Main Hall	14.00	14.60			per hour	4%	
Meeting Rooms	13.50	14.10			per hour	4%	
Hire of Kitchen	5.90	6.15			per hour	4%	
Bettws Day Centre							
Non Profit Making/ Voluntary Organisations (per Hour)							
Main Hall	10.20	10.60			per hour	4%	
Day Club	8.00	8.30			per hour	4%	
Hire of Kitchen	6.10	6.35			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Small Group Organisations (per hour)							

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Main Hall	13.00	13.50			per hour	4%	
Day Club	10.20	10.60			per hour	4%	
Hire of Kitchen	7.20	7.50			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Commercial/ Business (per hour)							
Main Hall	16.00	16.60			per hour	4%	
Day Club	13.00	13.50			per hour	4%	
Hire of Kitchen	8.30	8.60			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Small Group Organisations (per hour)							
Main Hall	14.70	15.30			per hour	4%	
Training Room	11.80	12.30			per hour	4%	
Hire of Kitchen	7.20	7.50			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					
Commercial/ Business (per hour)							
Main Hall	16.00	16.60			per hour	4%	
Training Room	13.00	13.50			per hour	4%	
Hire of Kitchen	8.30	8.60			per hour	4%	
Special Events	(all weekend and large event charges to be set by Malpas Court)	(all weekend and large event charges to be set by Malpas Court)					

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Museum & Art Gallery							
Educational Publications UK Rights	18.00	18.75				4%	
" " World Rights	35.00	36.50				4%	
Commercial Publications & Websites UK rights	36.00	37.50				4%	
Commercial Publications & Websites world rights	75.50	78.50				4%	
Publication Jacket, Covers & Homepages UK Rights	85.50	89.00				4%	
Publication Jacket, Covers & Homepages World Rights	175.00	182.00				4%	
Television Flash Fees UK rights	86.00	89.50				4%	
Television Flash Fees world rights	170.00	177.00				4%	
Digital Image 300 dpi	6.50	6.80				5%	
Ship Project							
Staff Consultancy & Training services							
Hourly Rate	39.00	40.50			per hour	4%	
Staff Consultancy & Training services							
Day Rate	270.00	281.00			per day	4%	
Faro Arm Rental	76.00	79.00			per day	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Libraries							
Fines (per day)	0.20	0.20			Per day	0%	Charges across the libraries service area are already higher than the average across Wales therefore no increase to be applied. Performance against budget makes this achievable.
Overdue Administration Adult	0.30	0.30			Per Letter	0%	
Replacement Library Card	4.00	4.00			each	0%	
Lost Books and other items	Sliding scale linked to Book Price	Sliding scale linked to Book Price			each		
Hire of Talking Books	1.40	1.40			each	0%	
Charge for late return of Talking Books	0.20	0.20			per day	0%	
Family History Research	28.00	28.00			per hour	0%	
Hire of Rooms	15/ 20	15/ 20			per hour	4%	
Transporter Bridge							
Day Ticket - Adult	3.00	3.00			per ticket	0%	An increase in ticket prices would have an adverse effect on numbers of visitors using the transporter
Day Ticket - Child	2.00	2.00			per ticket	0%	
Gondola - Adult (one way)	1.00	1.00			per ticket	0%	
Gondola - Adult (return)	1.50	1.50			per ticket	0%	
Gondola - Child (one way)	0.50	0.50			per ticket	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Current Retrospective Charge* (applies to Building Control Charges only)	Proposed Retrospective Charge* (applies to Building Control Charges only)	Unit of charge (per hr/day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Gondola - Child (return)	1.00	1.00			per ticket	0%	bridge. Performance against budgets makes this achievable.
Development Management Fees	Various based on scale of development	Various based on scale of development			per application	0%	
Pre-application advice	Various depending on the scale of development	Various depending on the scale of development			per application	0%	
Dangerous Structures - Building Control	0.00	0.00			per application	0%	
Demolition Notice -	0.00	0.00			per application	0%	

Fees valid from 1st April 2018 to 31st March 2019

*** A retrospective charge will be applied in the case of Building Control charges where it's been deemed that regulations have not been adhered to and a further charge will apply in such cases.**

SERVICE AREA: Streetscene & City Services

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Exclusive right of burial and issue deed and marker	990.00	1,030.00	per plot	4%	
Standard Grave space not exceeding 2.15m x 0.76m (30") including Headstone Permit	990.00	1,030.00	per plot	4%	
Grave space exceeding 0.92m (36") width (double plot required) including Headstone	990.00	1,030.00	per plot	4%	
Grave space exceeding 0.92m (36") width (double plot required) including Headstone	1,612.00	1,677.00	per plot	4%	
Purchase of two Grave Spaces to accommodate Fibreglass Burial Cube, including Headstone	1,639.00	1,705.00	per plot	4%	
Cremated remains in Garden of Rest – grave space not exceeding 0.23m x 0.92m	472.00	492.00	per plot	4%	
INTERMENTS – INCLUDING USE OF GRASS MATS AS NECESSARY					
Stillborn child or child up to the age of eighteen years	No charge	No charge	per plot	0%	N/A
Persons exceeding eighteen years	1,076.00	1,119.00	per plot	4%	
Interment of second person in grave space on same day	171.00	178.00	per plot	4%	
Cremated remains in Full Grave Space	238.00	248.00	per plot	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Cremated remains in Garden of Rest	238.00	248.00	per plot	4%	
Interment of second person cremated remains in same space on same day	56.00	58.25	per plot	4%	
Scattering of Ashes	130.00	135.25	each	4%	
Scattering of Ashes of second person at same time	56.00	58.25	each	4%	
HEADSTONES AND TABLETS – INCLUDING ALL INSCRIPTIONS					
ALL PERMIT COSTS NOW INCLUDED WITH EXCLUSIVE RIGHT					
Columbaria Sanctum 2000 Units – above ground	1,531.00	1,592.20	each	4%	
Second and Subsequent Interment Sanctum 2000 Units	56.00	58.25	each	4%	
OTHER SERVICES AND ITEMS					
Administrative research of Burial records (per 30 minute period)	11.00	15.00	per 30 minutes	36%	Following a long needed review of the administrative function and cost associated with this task as well as NCC paying the living wage, the cost has increased to ensure this function is now cost neutral to the authority
Provision of Fibreglass Burial Cube	759.00	789.40	each	4%	
Provision of BROXAP Bench and Concrete Plinth	832.00	903.60	each	9%	Increase in the supply of products and increased installation costs

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
TRANSPORT HIGHWAYS AND GREEN SERVICES					
RASWA					
Skip licence	39.50	41.00	each	4%	
Unauthorised Skips	152.00	158.00	each	4%	
Private works: New apparatus Sec 50	382.00	398.00	each	4%	
Sec 50 – Single Dwelling new apparatus	382.00	398.00	each	4%	
Sec 50 – Licence for repair or replace	382.00	398.00	each	4%	
Sec 50 inspection – repair or replace	247.00	257.00	each	4%	
Sec 50 inspection of excavations >200m long	382.00	398.00	each	4%	
S171 Highway Excavation	202.00	211.00	each	4%	
Tower Crane Oversailing the Highway Licence: 10 Working days' Notice required.	135.00	140.40	each	4%	
Road Space Booking	135.00	141.00	each	4%	
Vehicle Crossing Inspections	93.00	97.00	each	4%	
Pavement Cafe - Charge for table plus 4 chairs	128.00	133.15	each	4%	
Application to erect sign	205.00	214.00	each	4%	
Filming on the Highway (new charge)	0.00	141.00	each		
Traffic Sign – Application to extend for excess 12months	35.00	36.50	each	4%	
PARKING					
Residents parking permits	17.00	17.00	each	0%	Due to the current lack of parking enforcement, any increase is seen as
Visitor parking permits (Book of 10)	7.00	7.00	per book of 10	0%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Bus service departure Fees (Market Square)	0.78	0.78	each	0%	detrimental to the current client base which if they see a price increase may result in a reduction in renewals for 18/19 and an increase in illegal parking. This may have an adverse effect on the budget that will need to be managed in year.
Business Parking	936.00	936.00	per annum	0%	
ECN's - Excessive Charge Notice	£35/£70	£35/£70	each	0%	
Car Park Charges (exc Maindee)					NCC car parking has already seen a tariff increase in May 17. It's therefore seen as too premature to increase again. This may have an adverse effect on the budget that will need to be managed in year.
Up to 3 hours	2.00	2.00		0%	
Up to 5 hours	4.00	4.00		0%	
Over 5 hours	5.50	5.50		0%	
Maindee Car Park					NCC car parking has already seen a tariff increase in May 17. It's therefore seen as too premature to increase again. This may have an adverse effect on the budget that will need to be managed in year.
Up to 2 hours	0.50	0.50		0%	
Up to 5 hours	2.00	2.00		0%	
Over 5 hours	2.50	2.50		0%	
Allotment Rents	26.30	27.40		4%	
WASTE COLLECTION					
Trade waste collection:-					

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Trade sacks	2.11	2.20	per roll	4%	
240 Litre bin	5.57	5.80	each	4%	
360 Litre bin	7.44	7.75	each	4%	
660 Litre bin	13.62	14.20	each	4%	
1100 Litre bin	22.71	23.65	each	4%	
Bulky/Special: Collection	6.00	6.25	each	4%	
Cesspit emptying;					
1,000 gallons	161.00	168.00	per 1000 galloons	4%	
2,000 gallons	203.00	212.00	per 2000 gallons	4%	
WASTE DISPOSAL CHARGES					
Active Waste					
Disposal Charge	48.33	50.50	per tonne	4%	
Inactive Waste					
Disposal Charge	48.33	50.50	per tonne	4%	
PARKS AND OPEN SPACES					
* No vat					
Belle Vue Park					
Wedding Photography - Annual Permit	73.00	76.00	annually	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Bandstand Per Events*	42.00	44.00	each	5%	
Lodges - Rental Costs					
Grove Park Lodge	496.00	516.00	per month	4%	
Shaftesbury Park Lodge	488.00	508.00	per month	4%	
Christchurch Cemetery Lodge	448.00	466.00	per month	4%	
St.Woolos Cemetery Lodge	510.00	531.00	per month	4%	
Belle Vue Park - Residential Lodge Rent	510.00	531.00	per month	4%	
Caerleon Pavilion					
Caerleon Pavilion*	11.80	12.30	per hour	4%	
Sport & Leisure Pitch Hire					
Football					
Pitch Only (Adult) (per match/pitch) summer and winter	29.00	30.20	each	4%	
Pitch & 1 x Changing (Adult) (per all sports summer and winter	37.00	38.50	each	4%	
Changing Room (per U16 age group)	9.40	20.00	each	113%	This charge reflects opening changing rooms and utility costs for teams that do not pay for pitch hire. This price had not been reviewed in detail for a number of years, update in charge following review.
Seasonal Football Charge Exclusive Use – Football Pitch Only	872.00	906.90	each	4%	

Income Source	Current Charge (Exc VAT) £ (2 d.p)	Proposed Charge (Exc VAT) £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Seasonal Football charge Exclusive Use - Football Pitch & changing	994.00	1034.00	each	4%	
Seasonal Football Charge Priority - Pitch Only	458.00	476.50	each	4%	
Seasonal Football Charge Priority - Pitch & changing	561.00	584.00	each	4%	
Seasonal Football Charge Standard - Pitch Only	332.00	346.00	each	4%	
Seasonal Football Charge Standard - Pitch & Changing	448.00	466.00	each	4%	
Seasonal Football Charge General Use - Sunday sides - Pitch only	302.00	315.00	each	4%	
Seasonal Football Charge General Use - Sunday sides - Pitch & Changing	381.00	397.00	each	4%	
Rugby					
Rugby - Exclusive Use Pitch & Changing	994.00	1034.00	each	4%	
Rugby - Exclusive Pitch Only	872.00	907.00	each	4%	
Rugby - Standard Pitch	332.00	346.00	each	4%	
Rugby - Standard Pitch & Changing	448.00	466.00	each	4%	
Events					
Charity Events (discretionary)	200.00	208.00	each	4%	
Commercial Events per day (discretionary)	500.00	520.00	each	4%	

SERVICE AREA: Corporate Services

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
CCTV for NCC clients	Variable	Variable	per SLA		
PROPERTY SURVEYS (NON-STATUTORY)	172.00	178.88	per survey	4%	These are statutory and set by the Association of Port Health Authorities. There is no budget increase for this.
HEALTH & SAFETY - SWIMMING POOL/SPA POOL RESAMPLES FOLLOWING UNSATISFACTORY RESULT (Plus VAT)	63.00	65.52	per sample	4%	
PORT HEALTH SHIP SANITATION CERTIFICATES					
Gross Tonnage					
Up to 1,000	85.00	TBC	per certificate	0%	
1,001 to 3,000	120.00	TBC	per certificate	0%	
3001 to 10,000	180.00	TBC	per certificate	0%	
10,001 to 20,000	235.00	TBC	per certificate	0%	
20,001 to 30,000	305.00	TBC	per certificate	0%	
Over 30,000	360.00	TBC	per certificate	0%	
With exception of vessels with capacity to carry between 50 and 100 persons	360.00	TBC	per certificate	0%	
With exception of vessels with capacity to carry more than 1,000 persons	615.00	TBC	per certificate	0%	
Extensions to Certificates	55.00	TBC	per certificate	0%	
Tables & Chairs (Lic)					
Annual Fee	150.00	156.00	per licence	4%	
4 chairs	55.00	57.20	per licence	4%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
12 Chairs	85.00	88.40	per licence	4%	
24 chairs	150.00	156.00	per licence	4%	
24 + chairs	185.00	192.40	per licence	4%	
smoking area	50.00	52.00	per licence	4%	
change name on lic	25.00	26.00	per licence	4%	
[a] Riding Establishments					
Up to 10 horses	114.00	118.56	per licence	4%	
11 to 20 horses	139.00	144.56	per licence	4%	
21 to 30 horses	149.00	154.96	per licence	4%	
[b] Animal Boarding Establishments					
Pet Sitters	80.00	83.20	per licence	4%	
Up to 25 animals	130.00	135.20	per licence	4%	
25 to 50 animals	148.00	153.92	per licence	4%	
Over 51 animals	173.00	179.92	per licence	4%	
[c] Pet Shops	108.00	112.32	per licence	4%	
[d] Dangerous Wild Animals	497.00	516.88	per licence	4%	
[e] Dog Breeding Establishments	108.00	112.32	per licence	4%	
[f] Zoo Licence	948.00	985.92	per licence	4%	
[For [a] to [f] above, in addition to the licence fee, the licensee to pay the Council's veterinary fees]					
LEGAL SERVICES					
Local Land Charges Nlis Official Search (LLC1 & Con 29 R)	108	108	per search	0%	There has not been an increase as the fee is set to be comparable with other

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Local Land Charges Official Search (LLC1 & Con 29 R)	110	110	per search		competitors and would result in loss of market share if increased. There has been no budget increase.
Optional Questions	12 (for 20 out of 22 questions) 15 (2 out of the 22 questions)	12 (for 20 out of 22 questions) 15 (2 out of the 22 questions)	per search		
Solicitors own questions	25	25	per search		
Additional parcel fee (Con29 R)	24	24	per search		
Additional parcel fee (total)	25	25	per search		
Query re: personal search (dealing with errors etc)	25	25			
Stray Dogs Reclaiming Fees:					This fee needs to be flexible to allow for personal circumstances. There is a budget increase of 4%.
Dogs reclaimed after one day	87	90	per dog	4%	
Dogs reclaimed after two day	100	104	per dog	4%	
Dogs reclaimed after three day	113	118	per dog	4%	
Dogs reclaimed after four day	126	131	per dog	4%	
Dogs reclaimed after five day	139	145	per dog	4%	
Dogs reclaimed after six overnight stays	152	158	per dog	4%	
Dogs reclaimed after seven overnight stays	165	172	per dog	4%	
Dogs reclaimed and staying with the kennels for an extended period (charge per night)	11	11	per dog	0%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
<p>However there will be discretion given to the Kennels Officer on the level of charging due to unusual circumstances</p> <p>Dog re-homing fee : Puppies up to 1 years old Dogs aged 1-3 years old Dogs aged 3-6 years old</p>	160 140 120	160 140 120	per dog per dog per dog	0% 0% 0%	Fees need to be set at a level which does not discourage re-homing – hence the residual discretion. There is a budget increase of 4%.
Dogs aged 6 years old + Tagging inc. VAT	100 15	100 15	per dog per tag	0% 0%	
Removal from home	49	49	per removal	0%	
<p>However there will be discretion given to the Kennels Officer on the level of charging due to unusual circumstances</p>					
Property Naming/Renaming (does not cover newly built properties Single Plot Development Development 2+ Plots Changes to Development Layout after Notification	41.60 114.40 114.40 + 41.60 per additional plot	43.26 118.98 118.98 + 43.26 per additional plot	per property per plot/property per site/plot per plot	4% 4% 4% 4%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Street Renaming at Residents Request	114.40 + 41.60 per property	118.98 + 43.26 per property	per street/property	4%	
Confirmation of Address to Conveyancers etc	41.60	43.26	per property	4%	
A .EAR PIERCING, ACUPUNCTURE, ELECTROLYSIS AND TATTOOING-REGISTRATION					
Premises	92.00	95.68	per registration	4%	
Practitioners	92.00	95.68	per registration	4%	
Replacement Certificates	23.00	23.92	per certificate	4%	
B .CERTIFICATE FOR VOLUNTARY SURRENDER OF FOOD					
Voluntary Surrender Certificate	55 for first half hour and 55 for every additional half hour or part thereof plus VAT	57.20 for first half hour and 57.20 for every additional half hour or part thereof plus VAT	per certificate	4%	
Collection and Disposal	To be determined by weight and cost of disposal	To be determined by weight and cost of disposal	per collection / disposal	N/A	
Food Hygiene Rating Scheme - Rescore Fee (per certificate)	160.00	160.00	per certificate	0%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19.

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
<p>C. EXPORT HEALTH CERTIFICATES</p> <p>Export Health Certificate - Food Safety (per certificate)</p> <p>LOCAL LAND SEARCHES IN RESPECT OF CONTAMINATED LAND ETC. [OTHER THAN THOSE UNDER THE LOCAL LAND CHARGES ACT 1975]</p> <p>UK ENTRANCE CLEARANCE - PREMISES ASSESSMENT</p> <p>Property inspection</p>	<p>108.00</p> <p>54 for first hour and 54 for each additional hour or part thereof</p> <p>172.00</p>	<p>112.32</p> <p>56.16 for first hour and 56.16 for each additional hour or part thereof</p> <p>178.88</p>	<p>per certificate</p> <p></p> <p>per inspection</p>	<p>4%</p> <p>4%</p> <p>4%</p>	
<p>Re-assessment for additional person (within 6 months)</p> <p>HOUSES IN MULTIPLE OCCUPATION LICENSING FEES</p> <p>i. Initial Licence</p> <p>(For larger HMO (6+ units of accommodation/households)</p> <p>ii. Renewal of Licence made before expiry of existing license</p> <p>(For larger HMO (6+ units of accommodation/households)</p>	<p>88.00</p> <p>901.00</p> <p>52 extra per additional unit up to a max of 1,577</p> <p>712.00</p> <p>£52 extra per additional unit up to a max of 1,388</p>	<p>91.52</p> <p>937.04</p> <p>54.08 extra per additional unit up to a max of 1,639</p> <p>740.48</p> <p>£54.08 extra per additional unit up to a max of 1,442</p>	<p>per assessment</p> <p>per licence</p> <p>per additional accommodation</p> <p>per renewal</p> <p>per additional accommodation</p>	<p>4%</p> <p>4%</p> <p>4%</p> <p>4%</p> <p>4%</p>	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
iii. Renewal of Licence made after expiry of existing license	901.00	937.04	per renewal	4%	New fee for 2018/19
iv. Application following revocation of previous licence (where ownership unchanged)	0.00	740.00	per application	0%	
(For larger HMO (6+ units of accommodation/households)	52 extra per additional unit up to a max of 1,577	54.08 extra per additional unit up to a max of 1,442	per additional accommodation	4%	
CAMP SITE LICENCES	624.00	648.96	per site licence	4%	
Mobile Homes					
Site Licence fees - small site (3-10 caravans)	624.00	648.96	per site licence	4%	
Site Licence fees - medium site (11-49 caravans)	697.00	724.88	per site licence	4%	
Site Licence fees - large site (50+ caravans)	832.00	865.28	per site licence	4%	
Amendment to site licence conditions - variation	57.00	59.28	per amendment	4%	
Amendment to site licence conditions - variation requiring an inspection	146.00	151.84	per amendment	4%	
Other fees and Fixed Penalty Notice Charge - fee to deposit site rules	47.00	48.88	per fee	4%	
Other fees and Fixed Penalty Notice Charge - fee for replacement licence	14.00	14.56	per replacement licence	4%	
Other fees and Fixed Penalty Notice Charge - Fixed Penalty Notice charge	78.00	81.12	per FPN charge	4%	
HOUSING ACT 2004 NOTICE FEES	400.00	400.00	per notice	0%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
<p>Each additional identical notice served on another recipient at the same time (charges added and split equally across recipients)</p> <p>WORKS IN DEFAULT - ADMINISTRATION FEE</p>	<p>54.00</p> <p>Fee charges by the contractor (ex.VAT) plus: 20% for fees up to £1,000 10% for fees £1,001+</p>	<p>54.00</p> <p>Fee charges by the contractor (ex.VAT) plus: 20% for fees up to £1,000 10% for fees £1,001+</p>	<p>per notice</p>	<p>0%</p> <p>0%</p> <p>0%</p> <p>0%</p>	<p>Fees set at a cost recovery only basis. There is a budget increase of 4%.</p>
<p>PORT HEALTH – WATER SAMPLING</p>	<p>*Fee charged by contractor plus "officer time" charge (up to a mx. Of the above charge) where EH Manager agree defaulter has special circumstances</p>	<p>*Fee charged by contractor plus "officer time" charge (up to a mx. Of the above charge) where EH Manager agree defaulter has special circumstances</p>			

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
i. Drinking water – Microbiological (First Sample) (Plus VAT)	91.40	95.06	per sample	4%	
ii. Drinking water – Microbiological (Each subsequent sample) (Plus VAT)	64.58	67.16	per sample	4%	
iii Legionella water sample (First sample) (Plus VAT)	109.08	113.44	per sample	4%	
iv Legionella water sample (each subsequent sample) (Plus VAT)	81.58	84.84	per sample	4%	
PORT HEALTH – ORGANIC FOOD IMPORT CERTIFICATE					
	58.00	45.00	Research on internet there is a national flat rate charge of £45	-22%	Statutory set therefore no budget increase.
PORT HEALTH SHIP SANITATION CERTIFICATES					
Gross Tonnage					
Up to 1,000	85.00	TBC	per certificate	0%	
1,001 to 3,000	120.00	TBC	per certificate	0%	These are statutory and set by the Association of Port Health Authorities. There is no budget increase for this.
3001 to 10,000	180.00	TBC	per certificate	0%	
	235.00	TBC	per certificate	0%	
10,001 to 20,000					
20,001 to 30,000	305.00	TBC	per certificate	0%	These are statutory and set by the Association of Port Health Authorities. There is no budget increase
Over 30,000	360.00	TBC	per certificate	0%	
With exception of vessels with capacity to carry between 50 and 100 persons	360.00	TBC	per certificate	0%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
With exception of vessels with capacity to carry more than 1,000 persons	615.00	TBC	per certificate	0%	for this.
Extensions to Certificates	55.00	TBC	per certificate	0%	
SPORTS GROUNDS GENERAL SAFETY CERTIFICATES					
General Safety Certificates	0.00	Cost recovery up to maximum of £500	per certificate	0%	New fee for 2018/19
Special Safety Certificates for Sports Grounds	0.00	150.00	per certificate	0%	New fee for 2018/19
CCTV Monitoring for external clients	Variable	Variable	per SLA		
Street Trading					
City Centre Pitch - Application Fee (monthly)	52.00	54.08	per licence	4%	
City Centre Pitch - Application Fee (Quarterly / Full year)	156.00	162.24	per licence	4%	
License Fee (daily) Static Trader	47.00	48.88	per licence	4%	
License Fee (weekly) Static Trader	94.00	97.76	per licence	4%	
License Fee (monthly) Static Trader	260.00	270.40	per licence	4%	
License Fee (quarterly) Static Trader	364.00	378.56	per licence	4%	
License Fee (Full year) Static Trader	832.00	865.28	per licence	4%	
City Centre Pitch - License Fee (Full year) Static Trader	2600.00	2704.00	per licence	4%	
License Fee (daily) Mobile Trader	47.00	48.88	per licence	4%	
License Fee (weekly) Mobile Trader	94.00	97.76	per licence	4%	
License Fee (monthly) Mobile Trader	125.00	130.00	per licence	4%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
License Fee (quarterly) Mobile Trader	156.00	162.24	per licence	4%	
License Fee (Full year) Mobile Trader	312.00	324.48	per licence	4%	
Taxi Licensing Fees					
Vehicles - less than 5 years	83.00	83.00	per licence	0%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19.
Vehicles – more than 5 years, less than 10	114.00	114.00	per licence	0%	
Vehicles – over 10 Years	166.00	166.00	per licence	0%	
Drivers 3 year	249.00	249.00	per licence	0%	
driver instalments	83.00	83.00	per licence	0%	
Operators 1-9 vehicles	1000.00	1000.00	per licence	0%	
Operators 10-19	1500.00	1500.00	per licence	0%	
Operators 19-35	2000.00	2000.00	per licence	0%	
Operators 35 +	2500.00	2500.00	per licence	0%	
Replacement rear plate	19.00	19.00	per item	0%	
Replacement internal plate	12.00	12.00	per item	0%	
Replacement licence	6.00	6.00	per licence	0%	
Replacement bracket	13.00	13.00	per item	0%	
Replacement Badge	19.00	19.00	per item	0%	
Transfer Plate	65.00	65.00	per item	0%	
Change of vehicle	115.00	115.00	per licence	0%	
Knowledge test	65.00	65.00	per test	0%	
Scrap Metal					
Site Licence	415.00	431.60	per licence	4%	
variation of licence	47.00	48.88	per licence	4%	
Collectors licence	270.00	280.80	per licence	4%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Ceremony Charges for Naming and Vow Renewal Ceremonies					
Booking fee	70.00	70.00		0%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19.
Mansion House - Monday to Thursday	230.00	250.00	per event	9%	Discretionary fees for ceremonies at the Mansion House and higher increases can be justified based on the market rates charged elsewhere for other approved premises.
Mansion House - Friday	285.00	305.00	per event	7%	
Mansion House - Saturday (includes Premier Package)	320.00	340.00	per event	6%	
Approved Venue - Monday to Thursday	335.00	355.00	per event	6%	
Approved Venue - Friday	390.00	410.00	per event	5%	
Approved Venue - Saturday	425.00	445.00	per event	5%	
Approved Venue - Sunday, Bank holidays	495.00	515.00	per event	4%	
Commemorative certificate packs	10.00	10.00	per pack	0%	Fee set at cost recovery basis. No increase to budget.
Save the Date Fee	25.00	25.00	per request	0%	
CERTIFICATE FEES					
Certificate Search Fees					
Search 1 year either side of date	0.00	0.00		0%	This fee is FOC – as instructed by the General Register Office
Search a further 5 years	10.00	10.00	per request	0%	Fee set at cost recovery basis.
Search a further 10 years	18.00	18.00	per request	0%	No increase to budget.

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Same Day Service					
Standard Certificate - premium for issuing cert on same day	7.00	7.00	per certificate	0%	Fee set at cost recovery basis. No increase to budget.
Short Certificate - premium for issuing cert on same day	7.00	7.00	per certificate	0%	
Telephone Orders					
Administration Charge - Registrar Certificate	2.00	2.00	per application	0%	
Administration Charge - Superintendent Certificate	4.00	4.00	per certificate	0%	
Same day service certificates *	21.00	21.00		0%	
Regular service applications *	14.00	14.00		0%	
PRIVATE WATER SUPPLIES					
Risk Assessment (each assessment) - Up to 3 hours	£162 for up to 3 hours plus £54 for each additional hour or part thereof, up to a maximum of £500*	£168.48 for up to 3 hours plus £56.16 for each additional hour or part thereof, up to a maximum of £500*	per assessment	4%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19.
Sampling (each visit)	100*	100*	per sample	0%	
Investigation (each investigation)	£100* plus the analysis cost	£100* plus the analysis cost	per investigation	0%	
Grant of an authorisation (each authorisation)	100*	100*	per authorisation	0%	

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption	
Analysis (taken under regulation 10)	25*	25*	per analysis	0%		
Analysis (taken during check monitoring)	Analysis cost up to 100*	Analysis cost up to 100*	per analysis	0%		
Analysis (taken during audit monitoring))	Analysis cost up to 500*	Analysis cost up to 500*	per analysis	0%		
* Maximum permitted by regulation						
Fireworks - All year sales licence (set at statutory maximum)	500.00	500.00	per licence	0%	No increase to fee as statutory and no budget increase.	
Ceremony Charges for Marriage & Civil Partnership						
Approved Premises License	1560.00	1560.00	per licence	0%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19.	
Mansion House - Monday to Thursday	230.00	250.00	per event	9%	Discretionary fees for ceremonies at the Mansion House and higher increases can be justified based on the market rates charged elsewhere for other approved premises.	
Mansion House - Friday	285.00	305.00	per event	7%		
Mansion House - Saturday (includes Premier Package)	320.00	340.00	per event	6%		
Approved Venue - Monday to Thursday	335.00	355.00	per event	6%		
Approved Venue - Friday	390.00	410.00	per event	5%		
Approved Venue - Saturday	425.00	445.00	per event	5%		
Approved Venue - Sunday, Bank holidays	495.00	515.00	per event	4%		
Register Office (simple ceremony)	46.00	46.00	per event	0%		No increase to fee as

Income Source	Current Charge £ (2 d.p)	Proposed Charge £ (2 d.p)	Unit of charge (per hr/ day etc)	% Increase	Reason if different from 4% fee increase MTFP assumption
Church/Chapel ceremony attendance	86.00	86.00	per event	0%	statutory. No increase to budget.
Legal notice of marriage or civil partnership Certificate (issued same day)	35.00	35.00	per notice	0%	
Certificate (issued within 28 days)	4.00	4.00	per certificate	0%	
Citizenship Ceremonies	7.00	7.00	per certificate	0%	
Single Adult	90.00	90.00	per event	0%	
Same Day Service					
Certificate	10.00	10.00	per certificate	0%	Fees set at a cost recovery only basis. No impact on the budget set for 18/19. Cost recovery basis
Regular Service					
Standard Certificate	10.00	10.00	per certificate	0%	No increase to fee as statutory. No increase to budget.
Short Certificate	10.00	10.00	per certificate	0%	
LEGAL SERVICES					
Local Land Charges (LLC1 only)	6.00	6.00	per search	0%	No increase to fee as statutory. No increase to budget.
Local Land Charges (Nlis LLC1)	4.00	4.00	per search	0%	
Additional parcel fee (LLC1)	1.00	1.00	per search	0%	

Fees valid from 1st April 2018 to 31st March 2019

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APPENDIX 15 - CORPORATE RISK REGISTER

FINANCIAL Risk	Mitigation
Lack of financial resources to cover the costs of programme implementation (e.g. invest to save monies, redundancy costs)	<ul style="list-style-type: none"> -Identify required resources to delivery programme. -Bid for resources as part of the budget setting process. -Ensure there are sufficient resources in reserves
Inability to produce a balanced budget over the medium term will potentially impact the Council's financial resilience. Use of earmarked reserves to fund a budget gap in any one year if required will lead to a significant challenge to fund that gap in subsequent years	<ul style="list-style-type: none"> -Review of service pressures. -Acceleration of Change programme and projects to focus on and to deliver MTFP related savings. -Decisions taken on Services that can be downsized.
POLITICAL Risk	Mitigation
Impact of the political/democratic process on the delivery of the Change Programme and the MTFP	<ul style="list-style-type: none"> -Review options for financial mitigation measures and alternative proposals. -Ensure contingency in the MTFP -Reprioritise programme where appropriate. -Accelerate development of future years Change Programme initiatives to ensure proposals are in place for timely approval by the new administration.
The impact of the implementation of the living wage across the Council and third party contractors	<ul style="list-style-type: none"> -Identify financial impact and communicate to key stakeholders.
RESOURCE CAPACITY AND CABABILITY TO DELIVER Risk	Mitigation
Insufficient project management resource in order to deliver programme for 2018/19 and subsequent years and to develop the business cases for the future programme	<ul style="list-style-type: none"> -Ensure appropriate level of resource are included and signed off as part of the budget setting process. -Review options for resourcing the accelerating and widening Change programme in response to the increased financial challenge. -Review options for reprioritising resource allocation
Lack of organisational capacity to manage, drive and embed change and develop the forward programme	<ul style="list-style-type: none"> -Secure funding to ensure enabling resource capacity during change process. -Ensure mechanisms to embed and drive

	<p>change are incorporated into programme and project implementation plans.</p> <ul style="list-style-type: none"> -Assess the impact of the staffing reductions at the project level. -Monitor benefits via existing governance arrangements and escalate where required. -Ensure supporting mechanisms are in place to support the organisation through the change process. (i.e. training, mentoring, supporting) -Development and roll out of the Organisational Development strategy. -Promote and implementation a culture of continuous improvement across the organisation
Increasing pressure on Corporate Support functions required to deliver the Change Programme.	<ul style="list-style-type: none"> -Ensure appropriate level of resource are included and signed off as part of the budget setting process. -Recruit/backfill where appropriate -Ensure delivery of IT projects are supported by a fit for purpose IT function.
Inability of Service areas to sustain transformational changes	<ul style="list-style-type: none"> -Previous lessons learnt indicate that sustaining transformational change is difficult. -Ensure appropriate handover and training and that arrangements are incorporated into the project planning and monitoring process. -Ensure appropriate skills and capacity is embedded within the service areas.
COST ESCALATION & OVER-RUN/ DELAY Risk	Mitigation
Delay in the implementation of proposals which impacts on the overall MTFP for 2017/18.	<ul style="list-style-type: none"> -Escalate key issues and risks via the existing governance arrangements for timely decision making. -Ensure financial contingency in the MTFP and determine other financial mitigation options. -Review options for alternative proposals. -Reprioritise programme where appropriate -Review business cases assumptions before sign off and revise where appropriate. -Ensure sufficient capacity/capability to implement proposals
Duplication of cost savings between Cross cutting and Service area led initiatives which impact on the MTFP.	<ul style="list-style-type: none"> -Assess and monitor potential duplication across the programme and adjust targets where required.

	-Review options for reduction in potential conflict
Delay in MTFP business case proposals	-Review alternative opportunities
EXTERNAL/ MARKET Risk	Mitigation
External factors which could impact on the existing programme (legislative, political etc.)	-Assess potential external/market factors and where appropriate develop and implement mitigation.
Impact of the Legislation including Social and Wellbeing act, Future Generations Bill etc.	-Maintain watching brief on the issue to detect any signs of movement.
WG financial settlement/ Impact of UK spending review and timing for 2018/19	-Fundamental Review Change Programme to meet revised MTFP targets.
Impact of Brexit	-Impact still to be determined due to the high level of uncertainty. -Specific mitigation measures will be developed when the specific impacts have been determined.
Other Risks	
Resistance to change across the Council which impacts on progress and the MTFP targets.	-Ensure communications and engagement with key stakeholders across the organisation to influence culture and educate using a variety of channels including the existing programme governance arrangements. -Leadership to set expectations via communications and issues escalated via existing governance arrangements
Robust communications are not in place causing a detrimental impact on the programme from a range of stakeholder groups	-Ensure robust communication plan for the overall Change and Efficiency/MTFP is developed and implemented.
Interdependencies between initiatives not properly understood and may impact on overall progress.	-Identify interdependencies and assess impact on the overall programme. -Manage interdependencies to minimise any detrimental impact.
Impact of total reward on the ability to deliver the Change Programme and business as usual council services.	-Determine impact on programme and Services when details of the rank order and salary levels are released.

<p>Late identification of financial pressures which increases requirement for additional cost savings proposals.</p>	<ul style="list-style-type: none"> -Early identification of financial pressures via budget monitoring process. -Identification of additional cost savings proposals to cover gap. -Identification of resources to implement required changes
<p>Development of a coherent 4 year change programme which will support the delivery of the objectives set out in the corporate plan.</p>	<ul style="list-style-type: none"> -Review options for the timely development of the four year change programme

Report

Cabinet

Part 1

Date: 14 February 2018

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: February 2018

Meeting	Agenda Items	Lead Officer	Next Council?
14-Feb-18	Revenue Budget and Medium Term Financial Plan	HoF	27 Feb 2018: Budget
	Work Programme	DSCM	
14-Mar-18	School Categorisation	CEdO	24 April 2018: Local Wellbeing Plan City Deal
	City Deal		
	Pay and Reward Statement 2018/19	HP&BC	
	WAO Action Plan Update	HP&BC	Pay and Reward Statement IRP Annual Report
	Draft Violence at Work Domestic Abuse and Sexual Violence (VAWDASV) Strategy	HCFS	
	EAS Business Plan	CEdO	
	Work Programme	DSCM	
18-Apr-18	Improvement Plan Quarter 3 Update	HP&BC	15 May 2018: AGM
	Risk Management Strategy	HP&BC	
	Performance Management Strategy	HP&BC	
	Local Wellbeing Plan	HP&BC	
	Work Programme	DSCM	
16-May-18	Items TBC		24 July 2018: Democratic Services Annual Reports
	Work Programme	DSCM	
13-Jun-18	Improvement Plan Quarter 4 Update	HP&BC	24 July 2018: Democratic Services Annual Reports Director of Social Services Annual Report Treasury Management Welsh Language Annual Report Strategic Equality Plan Annual Report
	Early Year End PI Analysis	HP&BC	
	Welsh Language Annual Report	HP&BC	
	Strategic Equality Plan Annual Report	HP&BC	
	Capital Outturn	HoF	
	Revenue Outturn	HoF	
	Work Programme	DSCM	
18-Jul-18	Director of Social Services Annual Report	SD - People	11 Sept 2018: Scrutiny Annual Report Standards Committee Annual Report Improvement Plan 2016-18 Review
	Budget Consultation and Engagement Process	HP&BC	
	WAO Action Plan	HP&BC	
	Revenue Budget Monitor	HoF	
	Medium Term Financial Plan	HoF	
	Risk Update		
Work Programme	DSCM		
19-Sep-18	WAO Annual Improvement Report		27 Nov 2018: Treasury Management
	WAO Certificate of Compliance 1		
	WAO Regulatory Fees		
	Treasury Management		
	Work Programme	DSCM	
17-Oct-18	Final Year End Analysis of Pis (All Wales Data)		DSCM
	Risk Update		
	Work Programme		
14-Nov-18	Education and Pupil Performance Data		

	WAO Action Plan Update Revenue Budget Monitor Capital Budget Monitor Work Programme	DSCM	
12-Dec-18	Revenue Budget and MTFP: Draft Proposals WAO Certificate of Compliance 2 Work Programme	DSCM	29 Jan 2019: Mayoral Nomination 2019-20 Council Schedule of Meetings Treasury Management Council Tax Reduction Scheme
16-Jan-19	Revenue Budget Monitor Capital Budget Monitor Verified Key Stage 4 and 5 Pupil Outcomes Mid-Year Analysis of Pis Risk Update Work Programme	DSCM	
13-Feb-19	Revenue Budget and MTFP: Final Proposals Work Programme	DSCM	26 Feb 2019: Budget and Medium Term Financial Plan
13-Mar-19	Pay and Reward Statement 2019/20 WAO Action Plan Update EAS Business Plan Work Programme	DSCM	30 April 2019: IRP Annual Report NNDR Rate Relief Pay and Reward Policy
17-Apr-19	Risk Update Work Programme		14 May 2019: AGM
15-May-19	Items TBC Work Programme	DSCM	Future Dates TBC