

Agenda



Newport City Council

Date: Tuesday, 30 January 2018
Time: 5.00 pm
Venue: Council Chambers - Civic Centre
To: **All Members of the City Council**

| Item | | Wards Affected |
|------|--|----------------|
| 1. | <u>Agenda yn Gymraeg</u> (Pages 5 - 6) | |
| 2. | <u>Preliminaries</u> <ul style="list-style-type: none">i. To receive any apologies for absence.ii. To receive any declarations of interest.iii. To receive any announcements by the Mayor. | |
| 3. | <u>Appointments</u> (Pages 7 - 10) To consider any proposed appointments. | |
| 4. | <u>Minutes</u> (Pages 11 - 18) To confirm and sign the minutes of the last meeting. | |
| 5. | <u>Police Issues</u> 30 minutes is allocated for questions to the Gwent Police representative. | |
| 6. | <u>Notice of Motion: Armed Forces Community Questions on the 2021 Census</u> To receive the following motion for which the necessary notice has been provided: | All Wards |

This council notes:

- 1 The obligations its owes to the Armed Forces community within Newport City Council as enshrined in the Armed Forces Covenant; that the Armed Forces community should not face disadvantage in the provision of services and that special consideration is appropriate in some cases, especially for those who have given the most.**

- 2 **The absence of definitive and comprehensive statistics on the size or demographics of the Armed Forces community within Newport City Council. This includes serving Regular and Reserve personnel, veterans, and their families.**

- 3 **That the availability of such data would greatly assist the council, local partner agencies, the voluntary sector, and national Government in the planning and provision of services to address the unique needs of the Armed Forces community within Newport City Council.**

In light of the above, this council moves to support and promote The Royal British Legion's call to include a new topic in the 2021 census that concerns military service and membership of the Armed Forces community. We further call upon the UK Parliament, which will approve the final census questionnaire through legislation in 2019, to ensure that the 2021 census includes questions concerning our Armed Forces community.

The motion is to be proposed by Councillor Debbie Wilcox and seconded by Councillor Mark Spencer.

- | | | |
|-----|--|-----------|
| 7. | <u>Civil Parking Enforcement</u> (Pages 19 - 38) | All Wards |
| 8. | <u>Council Tax Reduction Scheme</u> (Pages 39 - 44) | All Wards |
| 9. | <u>Treasury Management</u> (Pages 45 - 68) | All Wards |
| 10. | <u>Council Diary 2018-19</u> (Pages 69 - 76) | All Wards |
| 11. | <u>Deferral of Mayoral Nomination</u> (Pages 77 - 78) | All Wards |
| 12. | <u>Nomination of the Mayor 2018-19</u> | All Wards |
| 13. | <u>Questions to the Leader of the Council</u> To provide an opportunity for Councillors to ask questions to the Leader of the Council in accordance with the Council's Standing Orders. | |

Process:

No more than 15 minutes will be allocated at the Council meeting for questions to the Leader of the Council.

The question must be addressed through the Mayor or the person presiding at the meeting and not directly to the person being questioned.

- | | | |
|-----|---|--|
| 14. | <u>Questions to the Cabinet Members</u> To provide an opportunity to pose questions to Cabinet Members in line with Standing Orders. | |
|-----|---|--|

Process:

No more than 10 minutes will be allocated at the Council meeting for questions to each Cabinet Member.

Members must submit their proposed questions in writing in advance in accordance with Standing Orders. If members are unable to ask their question orally within the allocated time, remaining questions will be answered in writing. The question and response will be appended to the minutes.

The question must be addressed through the Mayor or the person presiding at the meeting and not directly to the person being questioned.

Questions will be posed to Cabinet Members in the following order:

- i. Deputy Leader and Cabinet Member for Assets and Member Development
- ii. Cabinet Member for Education and Skills
- iii. Cabinet Member for Social Services
- iv. Cabinet Member for Regeneration and Housing
- v. Cabinet Member for Community and Resources
- vi. Cabinet Member for Streetscene
- vii. Cabinet Member for Licensing and Regulation
- viii. Cabinet Member for Culture and Leisure

For information: A digest of recent decision schedules issued by Cabinet, Cabinet Members and Minutes of recent meetings of Committees has been circulated electronically to all Members of the Council.

15. Questions to the Chairs of Committees

To provide an opportunity to pose questions to the Chairs of the Committees in line with Standing Orders.

Process:

No more than 10 minutes will be allocated at the Council meeting for questions to each Chair.

Members must submit their proposed questions in writing in advance in accordance with Standing Orders. If members are unable to ask their question orally within the allocated time, remaining questions will be answered in writing. The question and response will be appended to the minutes.

The question must be addressed through the Mayor or the person presiding at the meeting and not directly to the person being questioned.

Questions will be posed to Committee Chairs in the following order:

- i. Scrutiny Committees
 - a. Overview and Scrutiny Management Committee
 - b. Performance Scrutiny Committee – People
 - c. Performance Scrutiny Committee – Place and Corporate
 - d. Performance Scrutiny Committee – Partnerships
- ii. Planning Committee
- iii. Licensing Committee

iv. Democratic Services Committee

For information: A digest of recent decision schedules issued by Cabinet, Cabinet Members and Minutes of recent meetings of Committees has been circulated electronically to all Members of the Council.

Agenda



Cyngor Dinas Casnewydd

Dyddiad: 30 Ionawr 2018

Amser: 5 y.p.

Lleoliad: Siambrau'r Cyngor - Canolfan Ddinesig

At sylw: **Pob Aelod o'r Cyngor Dinas**

Gwe-ddarllodiadau Cyngor Dinas Casnewydd

Mae gwe-ddarllodiadau o gyfarfodydd llawn Cyngor Casnewydd a'r pwyllgor cynllunio yn cael eu hatal dros dro tra bo'r system sain yn cael ei huwchraddio. Disgwylir y bydd y darllodiadau'n ailgychwyn cyn diwedd y flwyddyn.

Eitem

1. **Agenda Cymraeg**
2. **Rhagarweiniau**
 - i) Ymddiheuriadau am absenoldeb
 - ii) Datganiadau o fuddiant personol
 - iii) Cyhoeddiadau Maer
3. **Cofnodion**
4. **Penodiadau**
5. **Materion yr Heddlu**
6. **Hysbysiad o Gynnig: Cwestiynau Gymuned Lluoedd Arfog ar y Cyfrifiad 2021**

Y cynnig hwn yw i gael ei preposed gan Cynghorydd Debbie Wilcox a'i eilio gan Cynghorydd Mark Spencer
7. **Gorfodi Parcio Sifil**
8. **Rheolaeth Trysorlys**
9. **Dyddiadur 2018-2019**
10. **Gohirio Enwebiad Maer**
11. **Enwebiad y Maer 2018-2019**

12. Cwestiynau i Arweinydd

I roi'r cyfle i gynghorwyr ofyn cwestiynau i Gadeirydd y Cabinet yn unol â Rheolau Sefydlog y Cyngor.

Proses: Ni chaiff mwy na 15 munud eu cadw yng nghyfarfod y Cyngor ar gyfer cwestiynau llafar i'r Arweinydd

Rhaid i'r cwestiwn cael sylw drwy'r Maer neu'r sawl sy'n llywyddu yn y cyfarfod ac nid yn uniongyrchol at y person a holir

13. Cwestiynau i Aelodau Cabinet

I roi'r cyfle i ofyn cwestiynau i Aelodau'r Cabinet yn unol â Rheolau Sefydlog

Proses: Ni chaiff mwy na 10 munud eu cadw yng nghyfarfod y Cyngor ar gyfer cwestiynau i bob Aelod Cabinet unigol.

Bydd angen i'r Aelodau cyflwyno eu cwestiynau arfaethedig yn ysgrifenedig yn unol â'r Rheolau Sefydlog. Os nad yw'r aelodau yn gallu gofyn eu cwestiwn ar lafar o fewn yr amser a glustnodwyd, bydd y cwestiynau sy'n weddill yn cael eu hateb yn ysgrifenedig. Bydd y cwestiwn ac ymateb yn cael eu hatodi i'r cofnodion.

Rhaid i'r cwestiwn cael sylw drwy'r Maer neu'r sawl sy'n llywyddu yn y cyfarfod ac nid yn uniongyrchol at y person a holir

Bydd y cwestiynau yn cael eu gofyn i aelodau'r cabinet yn y drefn ganlynol:

- Dirprwy Arweinydd / Aelod Cabinet dros Ddatblygu Asedau ac Aelodau
- Aelod Cabinet dros Addysg a Sgiliau
- Aelod Cabinet dros y Gwasanaethau Cymdeithasol
- Aelod Cabinet dros Adfywio a Thai
- Aelod Cabinet dros y Gymuned ac Adnoddau
- Aelod Cabinet dros Gwasanaethau Stryd
- Aelod Cabinet dros Trwyddedu a Rheoleiddio
- Aelod Cabinet dros Ddiwylliant a Hamdden

Er Gwybodaeth: Mae crynodeb o amserlenni penderfyniad diweddar a gyhoeddwyd gan y Cabinet, Aelodau Cabinet a Chofnodion cyfarfodydd diweddar y Pwyllgorau wedi cael ei gylchredeg yn electronig at bob Aelod o'r Cyngor.

14. Cwestiynau i Gadeiryddion Pwyllgorau

Bydd y cwestiynau yn cael eu gofyn i Gadeiryddion Pwyllgorau yn y drefn ganlynol:

I. Pwyllgorau Craffu

- Pwyllgor Rheoli Trosolwg a Chraffu
- Pwyllgor Craffu ar Berfformiad – Pobl
- Pwyllgor Craffu ar Berfformiad – Lleoedd a Materion Corfforaethol
- Pwyllgor Craffu ar Berfformiad – Partneriaethau

II. Pwyllgor Cynllunio

III. Pwyllgor Trwyddedu

IV. Pwyllgor Gwasanaethau Democraataidd



Report

Council

Part 1

Date: 30 January 2018

Subject **Appointments**

Purpose To agree the appointment of Council nominees to committees and outside bodies.

Author Democratic Services and Communications Manager

Ward General

Summary In accordance with its terms of reference within the Constitution, Council is responsible for appointing the members of Council Committees, and the Council's representatives on outside bodies. The current vacancies and nominations received are set out in the attached report.

Proposal **Council is asked to receive and approve the nominations for representatives, as listed in the report.**

Action by Democratic Services and Communications Manager

Timetable Immediate

This report was prepared after consultation with:

- Council Business Managers
- Head of Law and Regulation

Signed

Background

In accordance with its terms of reference within the Constitution, Council is responsible for appointing the members of Council Committees, and the Council's representatives on outside bodies. The current vacancies and nominations received are set out below.

Any vacant appointments / nominations received after the publication of this report, will be announced at the Council meeting by the appropriate Business Manager or Group Leader.

Internal Appointments

| Committee | No. of Vacancies / Replacements | Nominations Received |
|--|---------------------------------|--|
| Audit Committee | 1 replacement | Cllr David Fouweather to replace Cllr W Routley |
| Performance Scrutiny Committee – People | 1 vacancy | Council to note the nomination of Rebecca Penn as the Church in Wales Registered Representative. |
| Licensing Committee | 1 replacement | Cllr W Routley to replace Cllr J Watkins |
| Performance Scrutiny Committee – Place and Corporate | 1 replacement | Cllr J Watkins to replace Cllr W Routley |

Appointments to External Organisations

| Organisation | No. of Vacancies / Replacements | Nominations Received |
|---------------------------|---------------------------------|--|
| <i>Newport City Homes</i> | - | <i>To confirm removal of the local authority representatives following the change to Newport City Homes' governance arrangements (as supported by Council on 26 September 2017).</i> |

Governing Body Appointments

| Governing Body | No. of Vacancies / Re-appointments | Nominations Received |
|-------------------------------------|------------------------------------|---------------------------------|
| High Cross Primary School | 1 vacancy | Stewart Jones |
| Maes Ebbw School | 1 vacancy | Cllr Tracey Holyoake |
| <i>Tredegar Park Primary School</i> | <i>1 vacancy</i> | <i>TBC</i> |
| Newport High School | 2 vacancies | Cllr James Clarke Jenny Judd |

Proposal

Council is asked to receive and approve the nominations, as listed in the report.

Comments of Chief Financial Officer

There are no financial implications directly arising from this report.

Comments of Monitoring Officer

The appointment of individuals to serve on outside bodies is a Local Choice function under the Local Authorities (Executive Arrangements) (Functions and Responsibilities) (Wales) Regulations 2007. The Council has determined that responsibility for this function shall rest with Full Council unless delegated by the Council.

Background Papers

Newport City Council Constitution

Local Authorities (Executive Arrangements) (Functions and Responsibilities) (Wales) Regulations 2007

Dated: January 2018

This page is intentionally left blank



Minutes

Council

Date: 28 November 2017

Time: 5.00 pm

Present: Councillors M Al-Nuaimi, J Cleverly, M Cornelious, K Critchley, D Davies, C Evans, M Evans, C Ferris, D Fouweather, G Giles, J Guy, D Harvey, I Hayat, R Jeavons, C Jenkins, M Kellaway, M Linton, D Mayer, R Mogford, J Mudd, M Rahman, J Richards, M Spencer, H Thomas, K Thomas, C Townsend, R Truman, T Watkins, R White, K Whitehead, D Wilcox, D Williams, G Berry, J Clarke, Y Forsey, R Hayat, T Holyoake, P Hourahine, J Hughes, J Jordan, S Marshall, W Routley, H Townsend and J Watkins

Apologies: Councillors P Cockeram, A Morris, T Suller, M Whitcutt, V Dudley and L Lacey

1. Preliminaries

i. To receive any apologies for absence

The Monitoring Officer reported apologies for absence.

ii. To receive any declarations of interest

No declarations of interest were made.

iii. To receive any announcements by the Mayor

The Mayor did not have any announcements to make.

2. Minutes

The minutes of the meeting held on 26 September 2017 were approved as a true record.

3. Appointments

Resolved

The following appointments were agreed:

Internal Appointments

| Committee | No. of Vacancies / Replacements | Nominations Received |
|-----------|---------------------------------|----------------------|
| | | |

| | | |
|--|----------------|---|
| Standards Committee | 1 vacancy | John Davies (as the Community Council Representative) |
| Carers Champion | 1 replacement | Cllr Tracey Holyoake to replace Cllr Ibrahim Hayat |
| Performance Scrutiny Committee – Partnerships | 1 replacement | Cllr Yvonne Forsey to replace Cllr James Clarke |
| Performance Scrutiny Committee – Place and Corporate | 2 replacements | Cllr James Clarke to replace Cllr Yvonne Forsey Cllr Ibrahim Hayat to replace Cllr Laura Lacey |
| Social Services Rota Visits | 1 replacement | Cllr Jan Cleverly to replace Cllr Kevin Whitehead |
| Overview and Scrutiny Management Committee | 1 replacement | Cllr Laura Lacey to replace Cllr Ibrahim Hayat |

Appointments to External Organisations

| Organisation | No. of Vacancies / Replacements | Nominations Received |
|----------------------|---------------------------------|---|
| GAVO Local Committee | 1 replacement | Cllr Phil Hourahine to replace Cllr Christine Jenkins |

Governing Body Appointments

| Governing Body | No. of Vacancies / Re-appointments | Nominations Received |
|--|------------------------------------|-----------------------------------|
| Llisbury High School | 1 re-appointment | Cllr Roger Jeavons |
| Malpas Park Primary | 1 re-appointment | Cllr Jane Mudd |
| Marshfield Primary | 1 re-appointment | Ms Catherine Sainsbury |
| Milton Primary | 1 re-appointment | Cllr Malcolm Linton |
| Ringland Primary | 1 re-appointment | Mrs Helen Truman |
| St Michael's RC Primary | 1 re-appointment | Ms Modupe Obilanade |
| Pupil Referral Unit Management Committee | 1 vacancy | Cllr David Mayer |
| Clytha Primary | 1 vacancy | Mr Peter Bray |
| Jubilee Park Primary | 1 vacancy | Cllr Val Dudley |
| Llanwern High School | 2 vacancies | Shereen Williams and Emma Wakeham |

| | | |
|---------------------|-------------|-------------------------------|
| Newport High School | 2 vacancies | Lucy Jackson and Gareth Cooke |
|---------------------|-------------|-------------------------------|

4. **Police Issues**

The Mayor welcomed Chief Inspector Michael Richards to the meeting. The Chief Inspector gave a brief update on current issues and operations in the city, before inviting questions from Members.

A number of councillors raised issues relating to parking offences and enforcement in the city centre and within their wards, with particular reference made to problems outside schools. The Chief Inspector outlined some of the enforcement action taken in different parts of the city since the last Council meeting, highlighting the continuing commitment of the police to this area while discussions on decriminalisation of parking were ongoing. Councillor Mogford highlighted the recent action by school pupils in Langstone to protest against dangerous parking, and suggested this idea could be rolled out to other schools.

Councillor Guy raised concerns regarding scams targeting older people, and asked what was being done locally to tackle this problem. The Chief Inspector outlined some of the initiatives currently in place, such as training for officers on recognising the signals of scam activity. New plans for this area were in the early stages, and further details could be provided on request.

Referring the recent incident in Bettws, where a police car was set alight, Councillor Whitehead stressed that the actions of a small minority did not reflect the overwhelming support local residents have for the police. The Chief Inspector shared the frustrations felt over incidents like this, and underlined the importance of local support and intelligence in their work.

Councillor Marshall reported some problems recently with fireworks being used as weapons. The Chief Inspector was disappointed to hear this, as a great deal of work had been done in the run up to Bonfire Night, visiting premises and seeking to prevent potential problems.

In response to a further question from Councillor Marshall, the Chief Inspector provided an update on the success of the recent weapons surrender.

The Chief Inspector thanked Councillor Ferris for his positive feedback about the new city centre policing lead, Inspector John Davies.

The Chief Inspector agreed to follow up concerns raised by Councillors Linton and Jenkins relating to specific events in their wards.

The Mayor thanked the Chief Inspector for attending.

5. **Notice of Motion: M4 Relief Road**

The Council considered a motion for which the necessary notice had been provided. The motion was moved by Councillor Matthew Evans and seconded by Councillor William Routley:

This Council supports the black route proposals for the M4 Relief Road. It urges Welsh Government to resolve outstanding concerns as a matter of urgency, and start the project as soon as possible.

Speaking to present the motion, Councillor Matthew Evans highlighted the positive economic, environmental and social impact the Relief Road would have on Newport and the wider area, and urged Councillors to support this motion to push for progress on this project.

The following amendment was moved by Councillor Debbie Wilcox and seconded by Councillor Ray Truman:

This Council accepts the current Public Inquiry as the legitimate forum for investigating outstanding issues regarding the proposals for an M4 Relief Road. Council has previously expressed support for the M4 Relief Road as a way of easing traffic congestion in and around Newport and trusts that the Public Inquiry will reach a balanced conclusion taking into account transport, environment, public and business concerns in Newport and South East Wales. Council calls on the Welsh Government to make a decision on the project and its funding as soon as possible after the current process is concluded.

In moving the amendment, the Leader of the Council reiterated the vital importance of the Relief Road to the local area, but advised awaiting the outcome of the public inquiry process before lobbying Welsh Government for further progress.

A number of Members spoke in favour of the motion, urging Welsh Government to take on board the public responses through the inquiry process, and agreeing that the inquiry needed to conclude before further comment was made on any preferred route.

The Leader of the Opposition stated that he would support the amendment.

Resolved

To adopt the amendment as moved by the Leader of the Council and set out above.

6. Notice of Motion: Pay in Local Government in Wales

The Council considered a motion for which the necessary notice had been provided. The motion was moved by Councillor Debbie Wilcox and seconded by Councillor David Mayer:

This Council

- 1. Recognises the impact that austerity has had on the pay of local government workers in Wales since 2010 where basic pay has fallen by 21% in real terms and included a 3-year pay freeze.**
- 2. Supports the notion of pay that is fair, affordable and sustainable.**
- 3. Supports the NJC for Local Government Services in its pursuance of a renewed pay spine that addresses the issues 'bunching' at the lower end of the pay spine.**
- 4. Wishes to see an end to austerity and an improvement in funding that enables local authorities to fund a fair pay increase for its workforce.**

Therefore, this Council resolves to:

- 1. Ask the LGA to effectively lobby Central Government to fund the implementation of the NJC Pay Spine Review caused by the direct effect of the National Living Wage.**
- 2. Write to both Central and Welsh Governments to provide local government in Wales with the funding to ensure a fair, affordable and sustainable pay increase is made to the local government workforce in Wales.**

3. Work with the WLGA in consultation with the trade unions in pursuance of a fair funding deal for local government.

Speaking to present the motion, The Leader of the Council referred to the impact of continuing austerity on local government finances, and the ongoing lobbying to lift the public sector pay freeze, which this motion would support.

Speaking to second the motion, Councillor Mayer put forward that many low paid council workers experienced in-work poverty, and action was needed to implement a pay spine review and improve public sector pay.

The following points were put forward by Members speaking in favour of the motion:

- Examples were given of low paid public sector workers struggling with rising bills and increased living costs. Members also cited the rising use of food banks as an indicator of in-work poverty.
- Members called for more fairness in the pay system.
- The impact of ongoing budget reductions on the workloads and responsibilities of staff.
- The impact of public sector pay levels on pay levels within the voluntary sector.
- The political debate between the two extremes of ending austerity and reducing the national debt.
- The impact of low public sector pay on the local economy generally.
- More attention should be paid by central government to addressing the unclaimed tax from big business.

The following comments and questions were raised by Members speaking against the motion:

- What had the Leader done through her WLGA and LGA roles to lobby Welsh Government?
- How would a pay uplift be funded?
- In contradiction to points raised in favour of the motion, it was suggested that public sector workers were currently better paid than the private sector, and increases to the living wage and tax allowances meant that people generally were now better off.
- The funding diverted to Welsh Government and the impact of devolution on public sector funding in Wales.
- The issue of national debt needed to be addressed.

The required number of members called for a recorded vote. The vote was as follows:

Those in favour of the motion: Councillors Al-Nuaimi, Berry, Clarke, Cleverly, Critchley, Davies, C Evans, Forsey, Giles, Guy, Harvey, I Hayat, R Hayat, Holyoake, Hourahine, Hughes, Jeavons, Jenkins, Jordan, Linton, Marshall, Mayer, Mudd, Rahman, Richards, Spencer, H Thomas, K Thomas, C Townsend, H Townsend, Truman, T Watkins, Whitehead, Wilcox. A total of 34 votes.

Those against: Councillors Cornelious, M Evans, Ferris, Fouweather, Kellaway, Mogford, Routley, J Watkins, White, Williams. A total of 10 votes.

Members who abstained: None.

The motion was therefore **carried**.

Resolved

To adopt the motion as set out in full above.

7. **Standards Committee Annual Report**

Councillor Herbie Thomas, Member of the Standards Committee, presented the Standards Committee's annual report to Council for 2017-18, highlighting the changes to the membership of the committee recently, and the outcomes of its work programme over the last year.

The Leader of the Council praised the ongoing positive record on complaints, highlighting the collegiate approach taken by Members from across the political spectrum.

Members asked for more information about the mandatory training on the Code of Conduct. The Monitoring Officer explained the implications if this training was not completed, and reported that a final session was being arranged for those Members who missed the sessions during the induction programme.

Resolved

To receive the Standards Committee Annual Report for 2016/17 and to note the forward work programme.

8. **Corporate Plan**

The Leader of the Council presented the Corporate Plan to Council.

The final draft of the Corporate Plan was agreed by Cabinet in November, and set out what the Council would do over the next five years to Build on Success and Build a Better Newport, focussing on jobs and the economy, education and skills, fairness and equality, community safety and cohesion, the environment, transport, culture, and social wellbeing. The Plan would set the vision and direction for the coming years, and would be underpinned by a comprehensive change programme, to make sure the Council could deliver the plan and meet its statutory responsibilities set out in the Wellbeing of Future Generations Act.

The Leader highlighted that the Corporate Plan formed part of the policy framework, and so had been through the necessary consultation with scrutiny colleagues as well as with staff. Comments from the consultation process had been incorporated into the covering report, together with the management responses.

The following points were made by Members in discussing the plan:

- The plan lacked the necessary detail that would allow delivery to be scrutinised effectively. This included further detail needed on:
 - Increasing educational and social care capacity to reduce out of county placements
 - Progress transforming Newport City Centre through physical and economic regeneration
 - The location of the three proposed new schools, and whether these would be primary or secondary.
- The value "be responsible" was questioned

- In response to a question, the Chief Executive explained the authority's involvement in the development of a compound semiconductor industrial cluster through the Cardiff Capital Region City Deal.

Resolved

To agree the Corporate Plan.

9. Questions to the Leader of the Council

Leader's Announcements

In answer to the first question from the Mayor, the Leader made the following announcements:

- Newport was continuing to attract considerable interest as a place to do business and as a venue for events.
- Since last Council, the first ABP Newport Wales Marathon had been announced, taking place in April 2018.
- Regeneration work was continuing in the city centre, including progress on the former Hornblower pub and around Park Square car park.
- Garrison Barclay Estates had unveiled proposals to develop office accommodation on the site of the former Royal Mail sorting office in Mill Street.
- IQE had announced plans to open a state of the art semiconductor plant in Coedkernew as part of the city deal.
- Shop Local Saturday was taking place this week, and the Newport Now gift card was now on sale.

New Schools

Councillor Matthew Evans asked for further details of the three new schools to be built, including timescales and funding. The Leader responded that a bid had been submitted as part of Band B of the 21st Century Schools programme, and the Council was confident that that match funding would be received. Plans being made included new schools in Glan Llyn, and on the Whiteheads development. The Leader highlighted the low bid for funding under Band A of the programme.

Responding to the Leader's answer, Councillor Evans highlighted the advice given to his administration at the time of the Band A bid, that match funding was not available for a higher bid. Councillor Evans asked a supplementary question on secondary provision, citing concerns over increasing pressure on secondary school places. The Leader responded that secondary capacity was a statutory responsibility, and some schools were over capacity but others were under capacity. There were opportunities for using funding through streams like section 106 for increasing provision in this area. The Leader also highlighted Corporate Plan also included plans for a review of tertiary provision.

Street Cleaning

Councillor Kevin Whitehead asked whether it was possible to split the shifts of the street cleansing team to make sure the city centre was looking at its best over the festive period. The Leader agreed to take this suggestion forward to officers and provide a full response as soon as possible.

Newport to Ebbw Vale Rail Link

Councillor Carmel Townsend asked what representations were being made to Welsh Government to secure the Newport to Ebbw Vale Rail Link. The Leader responded that she had been part of collective representations to Assembly Members and others, and promised to make individual representations on this matter to the Secretary of State at the earliest convenience.

Draft Budget Settlement

Councillor Deb Davies requested an updated on the draft budget settlement received from Welsh Government. The Leader reported that the draft settlement represented a cash reduction for the Council, with a cut of 0.3% for 2018/19. £33m of cuts would need to be found over the course of this Council term, and options for the coming year would be presented to Cabinet in December to start consultation.

Celebrating Newport's People and Heritage

Councillor William Routley suggested that more should be done to recognise Newport's people and heritage, for example through a walk of heroes or replica stars. The Leader responded that a new award called the Spirit of Newport was soon to be agreed, which sought to recognise and reward the people who make the city what it is, whether through sporting excellence, charitable work, business, the arts, learning, or showing courage or tenacity in the face of adversity.

10. **Questions to the Cabinet Members**

There were no questions to the Cabinet Members on this occasion.

11. **Questions to the Chairs of Committees**

There were no questions to the Chairs of Committees on this occasion.

12. **Standards Committee Minutes**

The minutes of the Standards Committee meeting held on 26 October 2017 were noted.



Report

Council

Part 1

Date: 30 January 2018

Subject Newport City Council Civil Parking Enforcement (CPE)

Purpose To advise Council of the CPE review document and the recommendation by the Overview and Scrutiny Management Committee on the 14 December 2017 in support of an application to Welsh Government for Civil Parking Enforcement powers within the city.

To seek authority for officers to progress with an application for civil parking enforcement powers which will see the authority undertaking parking enforcement within the city boundary

Author Head of Streetscene and City Services

Ward All

Summary The Traffic Management Act 2004 enables local authorities to adopt the powers of enforcing on street parking currently residing with the Police.

The attached review document provides a preliminary summary of the likely revenue and capital costs for introducing an effective, flexible and sustainable CPE service within the city boundary.

The review also sets out the legal process and requirements which will need to be followed should the Council decide to apply to Welsh Government for the adoption of these powers.

Proposal That Council approves the introduction of CPE within the City of Newport together with:

- Appropriate authority to officers to make an application to WG for transfer of the appropriate powers under the Traffic Management Act 2004
- With the successful transfer of powers, undertake parking enforcement duties under the new powers of Civil Parking Enforcement within the authority boundary

Action by Head of Streetscene and City Services

Timetable Immediate

This report was prepared after consultation with:

- Cabinet Member for Streetscene
- Overview and Scrutiny Management Committee
- Streetscene Service Manager (Strategy and Policy)

Signed

Background

The control of on street parking within any local authority boundary has a major influence on the expeditious movement of road based transport and pedestrian and vehicle safety. Additionally, with current levels of illegal parking within the city centre, the viability and reputation of the city as a retail, business and tourist destination is at risk.

In recent years, Gwent Police have treated parking enforcement with ever diminishing priority in favour of deploying their limited resources to address more serious crime. Although the Police continue to maintain some levels of enforcement, action is taken only when and if resources become available.

Gwent Police have stated their intention to withdraw from any parking enforcement in December 2018, although they have confirmed that they will support authorities with low level enforcement while their applications are being developed and powers assigned.

Of the 22 authorities in Wales, 17 currently operate under Civil Parking Enforcement powers with the remaining 5 Gwent Local Authorities now considering applying for CPE powers as a result of Heddlu Gwent Police withdrawal.

With Police withdrawal from enforcement, Newport City Council is the only body who can apply for these powers within the city. Consequently, the only way to achieve overall enforcement is to establish a Civil Enforcement Area and Special Enforcement Area, as defined in the Traffic Management Act 2004, and for the Council to take responsibility for all non-endorsable parking contraventions within the city.

With Gwent Police confirming their intended withdrawal from on street parking enforcement across the Gwent region; a study was commissioned into the viability of introducing Civil Parking Enforcement within the city.

The authority commissioned AECOM Consultants to carry out a review for the possible adoption of Civil Parking Enforcement (CPE).

The Traffic Management Act 2004 enables local authorities to adopt the powers of enforcing parking currently residing with the Police, hence the old term of "Decriminalised Parking".

The attached review provides a preliminary summary of the likely revenue and capital costs for introducing an effective, flexible and sustainable CPE service within the city boundary.

The report also sets out the legal process and requirements which will need to be followed should the Council decide to apply to Welsh Government for the adoption of these powers.

The options of using internal or externally sourced services to carry out enforcement are set out together with cost comparisons and implications. It also sets out a minimum level of enforcement officers that would be required to adequately serve the city in accordance with agreed deployment models.

Although outsourcing of on street enforcement is deemed to be unacceptable within the city, the back office administration functions will be considered for outsourcing / collaborative working with the other Welsh authorities and evaluated through a market testing cost/benefit process against internal provision.

Advantages of the adoption of CPE powers

- Ensures parking policies are implemented effectively
- Improved compliance will be seen in permitted parking spaces and maximised turnover of available kerb space parking
- Improved traffic flow and management
- Aids accident reduction
- Parking responsive to the public's needs
- Authority may use any revenue from parking charges and penalty charges to fund enforcement activities
- Use any surpluses to improve off-street parking or for certain other transport-related purposes / environmental schemes.
- Encourages the use of available off street parking capacity
- Proposal is in line with Government policies for restraint over the Growth and impact of traffic in urban areas
- Encouragement of the use of public transport and the restraint of commuter-based parking
- Effective deterrent to the growth in traffic/ car ownership in city centre areas.
- Improved local accountability and level of service to residents and others affected by illegal parking.
- Performs well in delivering key Wellbeing objectives for current and future generations

Disadvantages of the adoption of CPE powers

- On the adoption of CPE powers, there is no mechanism to reverse the decision and hand them back to Gwent Police
- The Council will be taking on additional responsibilities and duties that will impact on existing staff resources in the short term.
- Set up costs are significant but reflect mandatory expenditure to comply with the application and business case
- Process of gaining the powers will take 15- 18 months
- With all 5 Gwent Local Authorities undertaking this process, availability of suitable consultancy services and staffing may be of concern

- The potential for physical / verbal abuse on enforcement staff

Financial Summary

Capital Funding

The up-front implementation costs of the scheme is significant and involves surveying the signage and lines across the county to assess whether they need updating/replacing, which is a significant initial capital cost. The initial capital cost modelled is £1,386k, however this is a worst case cost of requiring to replace the majority of signs and lines, but following survey it is expected this amount will be reduced. The ongoing capital financing costs including Minimum Revenue Provision and interest are included in the revenue costs below.

Revenue Funding

| | Year 1 (Current) £ | Year 2 £ | Year 3 £ | Ongoing £ | Notes including budgets heads affected |
|----------------------------|--------------------------|----------------------|----------------------|----------------------|---|
| Costs (Income) | 558,089 (538,434) | 588,073 (610,359) | 588,073 (610,359) | 588,073 (610,359) | The net costs and income of running this scheme are required to be ring-fenced for transport related / environmental purposes, therefore will not impact directly on the MTFP |
| Net Costs (Savings) | 19,655 | (22,286) | (22,286) | (22,286) | |
| Net Impact on Budget | - | - | - | - | |

The above table shows that from the current financial modelling, there will be a small cost in year one of running the scheme, however from the second year onwards there will be a small surplus. The financial case is tight but positive nonetheless. During implementation and as some of the details of how the service will run becomes clearer, we can expect certain aspects of the financial case to change but it will need to remain viable and within the current business case parameters of being 'cost-neutral'.

As indicated earlier in the report, any surplus will be required to be ring-fenced in a Civil Parking Enforcement reserve and be used for certain transport related and environmental purposes.

On-going thereafter - the cost of running the scheme will need to "flex" with the income that is being achieved i.e. if the outcome of better parking across the City is achieved from the implementation of the scheme, income will decrease and therefore the number of enforcement officers will need to fall to ensure running the scheme runs on at least a balanced budget. In essence, the scheme must remain at least 'cost-neutral'.

The modelled income is at a prudent level and capital financing costs may decrease depending on the outcome of the survey of signs and lines which require updating or replacing.

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? |
|---|--------------------------------------|---------------------------------------|---|---|
| Enforcement ceases to be the responsibility of the police and becomes the responsibility of the local authority | L | L | Robust enforcement policies and procedures together with fit for purpose forward facing and back office resources | Parking Manager Head of Service Service Manager (Strategy and Policy) |
| Welsh Government application/ business case for CPE fails | L | L | Welsh Government have confirmed that they would support applications from the 5 remaining Gwent authorities | Head of Service Service Manager (Strategy and Policy) |
| City Council decides against the adoption of CPE powers | H | M | Promote the advantages of adopting the CPE powers Inform Council of the potential implications within the city as a result of the Police withdrawal from enforcement | Head of Service Service Manager (Strategy and Policy) |
| Penalty charges would then become civil debts. | L | L | Robust enforcement policies and procedures together with fit for purpose forward facing and back office resources | Parking Manager |
| Motorists wishing to contest the validity of a penalty may make representations to the local authority | L | L | Robust enforcement policies and procedures together with fit for purpose forward facing and back office resources. Fully compliant and functioning appeal processes | Parking Manager |
| Robust parking enforcement resulting in | M | L | There is potential for this service to be the victim of its own success. However, it is | Parking Manager |

| | | | | |
|---|---|---|---|------------------------------------|
| decreasing levels of income that could render the service unsustainable | | | proven that there will always be an element that park illegally within any city and it is also anticipated that, especially within the city centre, robust enforcement will push motorists to park legally within the city's off street parking facilities. | Head of Service |
| Adoption of CPE powers but service not financially self-supporting | H | M | Although the review predicts a small surplus from year two, margins are small. The potential for the service to fail to cover its costs does exist. | Head of Service Parking Manager |

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

- Corporate Plan
- Newport's Well-being Plan (Consultation Draft)

Options Available and considered

Powers of CPE – Available Options

With the Police currently proposing to withdraw from parking enforcement and legislation only allowing the powers to be transferred to the Local Authority, the available options are:-

Option 1 Do not apply for Civil Parking Enforcement powers which will see the city with no parking enforcement over and above endorsable parking enforcement by the Police

Option 2 The Council applies to Welsh Government for the introduction of CPE within the City of Newport.

In the event that the decision is taken to proceed with an application to Welsh Government for CPE powers, there are a number of service delivery options available.

Enforcement – Available Options

Option A Undertake all parking enforcement with directly employed staff

This option is shown to be the most cost effective, responsive and flexible model for enforcement within the city. It would deliver employment benefits to the local area and have no TUPE implications on existing staff that operate the city's off street car parking service

Option B Collaborative working with one or more of the other 4 Gwent Authorities who are now considering CPE powers, following confirmation of withdrawal by Gwent Police.

It has subsequently been confirmed that 4 of the 5 Gwent authorities do not want to collaborate on enforcement. Therefore due to this decision and the geographical location of the one authority interested in collaboration, this option is not a practicable option.

Option C Fully outsource enforcement to a private enforcement company

This option was not considered for modelling as it was acknowledged that there was little support previously for external enforcement companies to operate with the city and was likely to be the more expensive option.

Additionally, there would have been TUPE implications for existing staff that currently operate the city's off street car park service.

This option would also reduce the authority's control over enforcement staff deployment and ticket issuing cultures.

Preferred Options and Why

With the Police withdrawing completely from parking enforcement in December 2018 and the prospect of having no on street parking enforcement within the city from that date, the preferred options are:

Powers of CPE preferred option

Option 2 The Council applies to Welsh Government for the introduction of CPE within the City of Newport.

This option would require Council to convey:

- Appropriate authority to officers to make an application to WG for transfer of the appropriate powers under the Traffic Management Act 2004
- With the successful transfer of powers, undertake parking enforcement duties under the new powers of Civil Parking Enforcement within the authority boundary

Enforcement Delivery preferred Option

Option A Undertake all parking enforcement with directly employed staff

Comments of Chief Financial Officer

The initial modelling shows a modest surplus of running the scheme from year two with the financial case being tight. The operational costs of the scheme will need to be flexed to reflect

the income being generated from issuing tickets, therefore not creating a pressure on the Councils budget.

It is entirely possible that income could fall in subsequent years but that would suggest that enforcement has achieved its objectives of creating safer and appropriate parking. In addition, it will take some time for behaviours to change and stabilise and during that period, flexibility in the resources used will need to happen to ensure the scheme is at least 'self-funded'.

Any surpluses arising from running the scheme will need to be ring-fenced in an earmarked reserve and utilised for specific transport and environmental purposes.

Comments of Monitoring Officer

The proposed action is in accordance with the Council's legal powers under Section 87 and Schedule 8 of the Traffic Management Act 2004. The legislation enables the Council to apply to the Welsh Government for an order conferring civil parking enforcement (CPE) powers to enable the authority to take over parking enforcement within its area from Gwent Police, in the light of their stated intent to withdraw from parking enforcement across the Gwent area. The effect of the Order would be to "decriminalise" parking and provide for civil enforcement through the issue of penalty notices. In applying for, and implementing such an Order, the Council must have regard to Statutory Guidance. The Welsh Government statutory Operational Guidance requires the Council to have reviewed its existing parking policies and analysed how CPE will contribute to overall transport objectives, consulted on the proposals, established proportioned levels of charges and reviewed its existing Traffic Regulation Orders, traffic signs and road markings to ensure that they comply with the orders. These considerations are addressed and set out in the Consultants' Report and the Scrutiny Committee review.

Comments of Head of People and Business Change

The proposal to apply for the introduction of Civil Parking Enforcement within Newport City on the basis of undertaking any enforcement with directly employed staff will have implications. Decisions will need to be made in relation to the existing structure of the Council's directorates and where the most appropriate fit will be. In addition, there will need to be an analysis of whether this function can be incorporated within existing off street parking officer posts or whether additional resource will need to be identified and recruited to. The medium term timeline to implement this proposal should not result in recruitment challenges given that the Council would have a number of months in which to effectively plan and prepare for any recruitment and induction activity.

As required a Fairness and Equality Impact Assessments (FEIA) has been completed. This assessment should be reviewed and updated at each stage of the decision making process. As part of the assessment all five aspects of the sustainable development principle of the Well-being of Future Generations (Wales) Act 2015 have been considered fully.

Comments of Cabinet Member

With the proposed withdrawal from parking enforcement by Gwent Police and the prospect of having no parking enforcement within the city, I fully endorse this proposal that will see civil parking enforcement undertaken by this authority within the Newport City boundary.

It is of the utmost importance that we expedite this process and work with our Police partners until CPE powers are transferred to the authority

Local issues

The application for a Civil Enforcement Area (CEA) would cover the whole of the city and as such will apply to all wards. However, it is acknowledged that these powers will have significantly greater impact within the urbanised and inner city wards.

Scrutiny Committees

The Overview and Scrutiny Management Committee considered the proposed application for Civil Parking Enforcement powers at its meetings on the 16th November and 14th December 2017.

The committee unanimously agreed to recommend to Council that authority be granted to officers to make an application to Welsh Government for transfer of CPE powers, which will see the authority undertaking civil parking enforcement within the city

Fairness and Equalities Impact Assessment (FEIA)

The purpose of this assessment is to provide balanced information to support decision making and to promote better ways of working in line with equalities (Equalities Act 2010), Welsh language promotion (The Welsh Language (Wales) Measure 2011), sustainable development (Wellbeing of Future Generations (Wales) Act 2015), and the four parameters of debate about fairness identified by the Newport Fairness Commission (NFC Full Report to Council 2013).

Completed by: Steve Davies **Role:** Service Manager

Head of Service: Paul Jones **Date:** 04/01/2018

I confirm that the above Head of Service has agreed the content of this assessment

Yes

1. Name and description of the policy / proposal being assessed. Outline the policy's purpose.

The application to Welsh Government and subsequent adoption of Civil Parking Enforcement powers by the Council due to the withdrawal of Heddlu Gwent Police from parking enforcement from December 2018

2. Outline how you have/ will involve stakeholders who will be affected by the policy/proposal

The application/ business case to Welsh Government will require a consultation on the proposal

3. What information/evidence do you have on stakeholders? e.g. views, needs, service usage etc. Please include all the evidence you consider relevant.

The current lack of parking enforcement within the city has generated significant public and member frustrations. The views of residents, members and businesses on the need for consistent and effective enforcement are well documented.

With the complete withdrawal of Heddlu Gwent Police from the limited enforcement currently undertaken in December 2018, the city will have no parking controls on street unless the powers are transferred to the Council. There are serious highway/ pedestrian safety and accessibility implications should the city's on street parking facilities remain uncontrolled




4. Equalities and Welsh language impact


| Protected characteristic | Impact: | | | Provide further details about the nature of the impact in the section below. Does it: <ol style="list-style-type: none"> Promote equal opportunity Promote community cohesion Help eliminate unlawful discrimination/ harassment/ victimisation? |
|--------------------------|--------------------------|--------------------------|-------------------------------------|---|
| | Positive | Negative | Neither | |
| Age | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Disability | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact. Current parking concessions to Blue Badge holders will still apply within any new / consolidated traffic orders. These are: (1) Valid Blue Badge holders can wait for up to (3) hours on 'prohibitions' of waiting e.g. double yellow lines, or solid single yellow lines – so long as an 'obstruction' is not being caused |


| Protected characteristic | Impact: | | | Provide further details about the nature of the impact in the section below. Does it: 1. Promote equal opportunity 2. Promote community cohesion 3. Help eliminate unlawful discrimination/ harassment/ victimisation? |
|---|-------------------------------------|--------------------------|-------------------------------------|---|
| | Positive | Negative | Neither | |
| | | | | (2) Valid Blue Badge holders can wait indefinitely where others are 'restricted' to limited waiting (3) Valid blue badge holders can also wait indefinitely on resident permit parking schemes which are <i>time limited</i> for other users (4) Valid blue badge holders are permitted to wait for a <i>maximum period of three hours</i> on a residents' only permit parking place. |
| Gender reassignment/transgender | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Marriage or civil partnership | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No impact |
| Pregnancy or maternity | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Race | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Religion or Belief or non-belief | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Sex/ Gender Identity | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Sexual Orientation | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | No Impact |
| Welsh Language | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | All replacement signage identified through the mandatory traffic signs and road markings review will be provided |

| Protected characteristic | Impact: | | | Provide further details about the nature of the impact in the section below. Does it: 1. Promote equal opportunity 2. Promote community cohesion 3. Help eliminate unlawful discrimination/ harassment/ victimisation? |
|--------------------------|----------|----------|---------|---|
| | Positive | Negative | Neither | |
| | | | | <p>bilingually and Welsh First.</p> <p>All parking enforcement documentation will be provided bilingually and Welsh First</p> |

5 How has your proposal embedded and prioritised the sustainable development principle in its development?

| Sustainable Development Principle | Does your proposal demonstrate you have met this principle? Describe how. |
|--|---|
|  <p>Long Term</p> <p>Balancing short term need with long term needs</p> | <p>Should the Council decide to adopt civil parking enforcement powers, it will be supporting the long-term social, economic and environmental well-being for future generations within the city as well as addressing an emerging critical short term need.</p> <p>It will help to create a city that residents are happy to reside in, now and in the future.</p> |
|  <p>Collaboration</p> <p>Working together to deliver objectives</p> | <p>A decision to proceed with an application for civil parking enforcement powers will enable the authority to focus on stakeholder concerns around parking whilst supporting other council / multi agency objectives in social, economic and environmental well-being.</p> <p>Collaborative working with other local authorities will also form part of the decision making process.</p> <p>Heddlu Gwent Police have agreed to work with the authority by undertaking low level enforcement action until powers have been assigned to the council</p> <p>Proposal is in line with Government policies for restraint over the Growth and impact of traffic in urban areas</p> |
|  <p>Involvement</p> <p>Involving those with an interest and seeking their views</p> | <p>The application/ business case to Welsh Government will require a public consultation on the proposal</p> <p>The current lack of parking enforcement within the city has generated significant public and member frustrations. The views of residents, members and businesses on the need for consistent and effective enforcement are well documented.</p> |

| Sustainable Development Principle | Does your proposal demonstrate you have met this principle? Describe how. |
|---|--|
|  <p data-bbox="140 640 240 663">Prevention</p> <p data-bbox="49 672 363 813">Putting resources into preventing problems occurring or getting worse</p> | <p data-bbox="392 340 1417 629">This proposal has the capacity to directly improve the social, economic and environmental wellbeing of the residents and visitors to the city. With the Police currently undertaking little enforcement and their clear intention to step away from parking enforcement in December 2018, the council will need to consider whether it intends to apply for civil parking enforcement powers. Failure to acquire CPE powers will see the city without on street parking enforcement</p> <p data-bbox="392 672 1294 741">The adoption of Civil Parking Enforcement powers will have the following impact:</p> <ul data-bbox="392 781 1398 925" style="list-style-type: none"> <li data-bbox="392 781 1398 884">• Reduced carbon emissions through reduction in congestion and expeditious movement of traffic through our Air Quality Management Areas <li data-bbox="392 891 1398 925">• Promote active travel (walking and cycling) throughout the city |

| Sustainable Development Principle | Does your proposal demonstrate you have met this principle? Describe how. |
|--|---|
|  <p>Considering impact on all wellbeing goals together and on other bodies</p> | <ul style="list-style-type: none"> • A prosperous Wales The adoption of Civil Parking Enforcement powers will have the following impact : <ul style="list-style-type: none"> • Promote the expeditious movement of traffic and as such have a positive impact on traffic congestion reduction • Reduction of costs to business, residents and visitors to the city associated with travel congestion and parking contraventions • Deliver new employment opportunities within the city • Reduced carbon emissions through reduction in congestion • A resilient Wales The adoption of Civil Parking Enforcement powers will have the following impact: <ul style="list-style-type: none"> • Will promote sustainable travel including public transport • Will maximise available highway space for appropriate parking • Will free up capacity within Heddlu Gwent Police for dealing with more significant crime within the city • Reduced carbon emissions promoting ecosystems that support social, economic and ecological resilience and the capacity to adapt to change • Capacity to be able to deliver an enforcement service that meets the needs of stakeholders both now and in the future • A healthier Wales The adoption of Civil Parking Enforcement powers will have the following impact: <ul style="list-style-type: none"> • Reduced carbon emissions through reduction in congestion and expeditious movement of traffic through our Air Quality Management Areas • Promote active travel (walking and cycling) throughout <i>the city</i> • A more equal Wales The adoption of Civil Parking Enforcement powers will have the following impact: <ul style="list-style-type: none"> • Powers to ensure that parking enforcement is delivered proportionately and fairly across the city • Ensure obstructive parking is addressed to ensure full and appropriate use of the highway asset by all users |

- ***A Wales of more cohesive communities***

The adoption of Civil Parking Enforcement powers will have the following impact:

- Promote highway safety in all our city communities
- Promote well connected communities through reduced vehicular obstruction and inconsiderate parking
- Defuse community frustration at the current levels of contraventions that are not being addressed due to the Police withdrawing from parking enforcement
- Capacity to be able to deploy reactive enforcement officers to black spots that are known to create community tension i.e. outside schools and resident parking areas

- ***A Wales of vibrant culture an thriving Welsh Language***

The adoption of Civil Parking Enforcement powers will have the following impact:

- Promote the Welsh Language by ensuring all business is conducted in both the English and Welsh medium

- ***A globally responsible Wales***

The adoption of Civil Parking Enforcement powers will have the following impact:

- Ensure available transport links that promote the economic, social, environmental and cultural well-being of the city, Wales and potentially globally

6 Will the proposal/policy have a disproportionate impact on a specific geographical area of Newport?

The application for a Civil Enforcement Area (CEA) would cover the whole of the city and as such will apply to all wards. However, it is acknowledged that these powers will have significantly greater impact within the urbanised and inner city wards.

7 How does the proposal/policy relate to the parameters of debate about Fairness identified by the Newport Fairness Commission

Powers to ensure that parking enforcement is delivered proportionately and fairly across the city

Ensure obstructive parking is addressed to ensure full and appropriate use of the highway asset by all users

Maximises available on street parking space for all users through enforcement of maximum wait times

Resident Parking zones will be enforced which will maximise the availability of parking in residential areas that are currently affected by commuter parking

8 Taking this assessment as a whole, what could be done to mitigate any negative impacts of your policy and better contribute to positive impacts?

There are no negative impacts of this proposal as motorists currently parking inappropriately are committing a criminal offence.

This proposal will operate in exactly the same way except the offence will be a civil offence not a criminal offence.

9 Monitoring, evaluating and reviewing

The method and timetable for monitoring and reporting of this proposal is to be decided following a successful application/ business case to Welsh Government

10 Involvement

The application/ business case to Welsh Government will require a consultation on the proposal.

A decision to proceed with an application for civil parking enforcement powers will enable the authority to focus on stakeholder concerns around parking whilst supporting other council / multi agency objectives in social, economic and environmental well-being

11 Summary of Impact (for inclusion in any report)

Equality Act 2010 AND Welsh Language

Equality and the medium of Welsh Language are promoted through the proposed application for Civil Parking Enforcement powers within the city

Wellbeing of Future Generations (Wales) Act 2015

This proposal has the capacity to deliver significant positive impacts to the wellbeing of current and future generations who live, visit or conduct business within the city

Crime and Disorder Act 1998

This proposal would see enforcement for non-endorsable parking offences removed from the criminal system and into the civil system through an act of Parliament.

In recent years, Heddlu Gwent Police has treated parking enforcement with ever diminishing priority in favour of deploying their limited resources to address more serious crime within the city.

In adopting CPE powers and the subsequent releasing of Police resources, the authority will be meeting its duty under Section 17(1) of the Crime and Disorder Act 1998 to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area

Consultation

Should the decision be taken to apply for civil parking enforcement powers, the business case and application to Welsh Government will require a mandatory consultation covering the Police, neighbouring authority's etc and a non-statutory consultation will be undertaken involving residents, BID partners and other such groups

Background Papers

AECOM Civil Parking Enforcement Review

Dated: 29th December 2017

This page is intentionally left blank



Report

Council

Part 1

Date: 30 January 2018

Subject Council Tax Reduction Scheme 2018/2019

Purpose For Council to consider a proposed Council Tax Reduction Scheme for 2017/18 and to determine its local discretions.

Author Strategic Director - Place

Ward All

Summary The Council Tax Reduction Scheme for 2018/19 updates the scheme that was introduced on 1st April 2014. The Council is not required to consult on the proposals of the new scheme as the amendments made are in consequence of amendments made to the Prescribed Requirements Regulations. The local discretions that are available to the Council will remain unchanged. This report provides information on the proposed Council Tax Reduction Scheme.

Proposal That Council approves the Council Tax Reduction Scheme for 2018/19 in accordance with the Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2014 ("the Prescribed Requirements Regulations") exercising its local discretions as indicated in the report.

Action by Strategic Director - Place

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Standards
- Head of Finance

Signed

Background

The current Council Tax Reduction Scheme was revised from April 2015 with an updated Scheme. In Wales, this continues to be a national scheme (in contrast to England, where schemes are local to each billing authority.)

The Council Tax Reduction Scheme in Wales is set by Regulations made under Schedule 1B of the Local Government Finance Act 1992 (as inserted by the Local Government Finance Act 2012). On 9 January 2018, the Welsh Assembly approved amending regulations to have effect from 1st April 2018: the Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2018. These Regulations prescribe the main features of the Scheme to be adopted by all Councils in Wales. The revisions for 2018/2019 are:

- The figures used to calculate applicants' entitlement to Council Tax reduction will be updated in line with Housing Benefit, however for working age persons, disabled persons and carers the uplift will be in line with Consumer Price Index inflation.
- Entitlements linked to the Pension Credit Standard Minimum Guarantee and income bands related to non-dependant deductions will increase in line with the increase in average earnings.
- Entitlements linked to both the Pension Credit standard minimum guarantee and Savings Credit will increase by an amount set out in the uprating schedule provided by the Department of Work and Pensions (DWP)
- Non-dependant deductions to increase by the average rise in Council Tax. .
- The revised regulations also;
 - mirror changes made to the benefit system with respect to Employment Support Allowance. The 2013 Regulations will continue to reference to the Work-Related Activity Component which will continue to be payable to some applicants.
 - make changes to reflect new service provision arrangements following the Regulation and Inspection of Social Care (Wales) Act 2016.
 - make changes to address an anomaly within the wording of the amending provisions included within the Council Tax Reduction Scheme (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2017 with respect to changes of circumstances provisions.
 - make a number of changes with respect to payments which are disregarded for the purposes of calculating 'income' and/or 'capital'. These include the new bereavement support payments among others.
- No changes have been made with respect to wider welfare restrictions for applicants with 2 or more children and a child born on or after 6 April 2017.
- No changes have been made in respect of the family premium and backdating period.

Although the Act gives Welsh Ministers discretion to allow Welsh local authorities to determine the contents of schemes themselves, the Government's decision to establish a national framework for the provision of Council Tax Support in Wales and avoids what has been termed a "postcode lottery" whereby eligibility for a Council Tax reduction and the size of the Council Tax reduction for particular groups could be different in different council areas.

Although a national scheme has been approved, within the Prescribed Requirements Regulations, limited discretion given to the Council to apply additional discretionary elements that are more generous than the national scheme and which provide for additional administrative flexibility remain. These are:

- The ability to increase the standard extended reduction period of 4 weeks given to persons after they return to work where they have previously been receiving a council tax reduction that is to end as a result of their return to work;

- Discretion to increase the amount of War Disablement Pensions and War Widows Pensions which is to be disregarded when calculating income of the claimant;
- Discretion to enhance the process for notification of decisions above the minimum requirements; and
- The ability to backdate the application of council tax reduction with regard to late claims prior to the new standard period of three months before the claim.

It is required by the Prescribed Requirements Regulations that the Council adopts a Council Tax Reduction Scheme by 31 January 2018, regardless of whether it applies any of the discretionary elements. If the Council fails to make a scheme, then a default scheme shall apply under the provisions of the Default Scheme Regulations. The Council can only apply discretion if it makes its own scheme under the Prescribed Requirements Regulations. A Council meeting is scheduled for the 30th January 2018 to adopt the Scheme.

The Council has not undertaken consultation on the adoption of the scheme as the Council is no longer obliged to carry out consultation on the adoption of a scheme as the provisions were set by the Welsh Government. Even without the application of any of the discretionary elements, The Council is obliged to make a scheme under the requirements of the Prescribed Requirements Regulations notwithstanding the fact that a default scheme would come into effect even if the Council failed to make a scheme. The obligation is a statutory duty and applies even if the Council chose not to apply any of the discretions available to it.

The recommended approach is to adopt the Scheme in the Prescribed Requirements Regulations and to continue to exercise the available discretions as follows:-

- The ability to increase the standard extended reduction period of 4 weeks given to persons after they return to work where they have previously been receiving a council tax reduction that is to end as a result of their return to work [It is not recommended to increase the standard extended reduction period] ;
- Discretion to increase the amount of War Disablement Pensions and War Widows Pensions which is to be disregarded when calculating income of the claimant [It is recommended to disregard the whole amount of War Disablement Pensions and War Widows Pensions] ;
- Discretion to enhance the process for notification of decisions above the minimum requirements [It is not recommended to enhance the process for notification of decisions] ; and
- The ability to backdate the application of council tax reduction with regard to late claims prior to the new standard period of three months before the claim. [It is not recommended to increase the backdated period]

It should be noted the above recommendations follow existing practice and continue with the features of the 2016/17 Scheme. There are no additional monies available from the Welsh Government to fund discretionary elements. The cost of funding the discretionary elements recommended above is estimated to be in the region of £17,000 per annum.

The Council continues to have powers to support hardship on an individual basis or in respect of a defined group. Such arrangements cannot, however, form part of the Council Tax Reduction Scheme itself. The Council has previously had access to grant for discretionary housing payments and will continue to provide support where appropriate.

Financial Summary

Funds to pay for the scheme are within the Council's base budget as the historical specific grant from WG that used to fund this was transferred into the Revenue Support Grant in 2013/14. This budget has since been uplifted each year in line with the Councils increase in Council Tax levels.

Risks

The Council needs to manage the cost of Council Tax Support within its budget.

| 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? |
|---|--------------------------------------|---------------------------------------|--|---|
| Failure to adopt a scheme in accordance with the required regulations | L | L | There is a default scheme in the event that the Council does not follow the appropriate procedures | Director of Place |

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

The Welfare Reform changes are imposed by national government and devolved to the Welsh Government for implementation by Councils. The Council's response within its service areas will be to try to ensure that any effects of the reforms are mitigated wherever possible.

Proposal

The changes are largely mandatory with the exception of the limited discretions identified in the report. The Council needs to determine the specific discretions as part of its Scheme.

The proposal is that Council adopts the revised Council Tax Reduction Scheme including the preferred discretions which maintain existing practice.

Comments of Chief Financial Officer

As noted above, the funds to pay for the scheme are contained within the Council's base budget, since WG transferred the specific grant for this into the Revenue Support Grant in 2013/14. The budget is uplifted each year in line with the increase in Council Tax and to date, has been more than sufficient. As no changes to these flexibilities are being recommended, the current budget should therefore be sufficient, with costs being minimal anyhow.

Comments of Monitoring Officer

The Council has a statutory duty to approve a revised Council Tax Reduction scheme by 31st January 2018 in accordance with the Council Tax Reduction Schemes (Prescribed Requirements and Default Schemes) (Wales) (Amendment) Regulations 2018. If the Council does not adopt a revised local scheme before the end of January, then a Default Scheme will come into operation. In Wales, the Welsh Government has prescribed a national council tax reduction scheme and, therefore, the Council has no option but to adopt the mandatory elements of the scheme. However, there are some limited local discretions within the national scheme, which the Council has previously adopted as part of the current local scheme, and it is recommended that these should continue to be applied. There is no longer any formal consultation requirement, because of the mandatory nature of the national scheme and the Council has previously consulted on the local discretions.

Comments of Head of People and Business Change

Any changes to the scheme will have implications for some of the more vulnerable people living in the city. The Council has a strong social justice agenda and through the Corporate Plan and Wellbeing of Future Generations Act must ensure it supports the lowest earners and those in receipt of benefits and vulnerable to financial inclusion. The outcome of the local equalities impact assessment will further inform work programmes intended to help mitigate the effect of these changes.

There are no HR implications.

Comments of Cabinet Member

Cabinet Member for Regeneration and Housing has been consulted on the report and supports the proposal.

Equalities Impact Assessment and the Equalities Act 2010

In drafting these Regulations Welsh Government have considered the duty on Welsh Ministers to promote equality and eliminate discrimination.

An Equality Impact Assessment was completed for the introduction of the 2013 Council Tax Reduction Scheme Regulations.

The replacement of Council Tax Benefit with the national support scheme will impact upon many of our low income residents including those in vulnerable groups. A local equalities impact assessment is being undertaken.

Wellbeing of Future Generations (Wales) Act 2015

The policy supports the principles within the Well-being of Future Generations (Wales) Act 2015. Maintaining full entitlement to Council Tax Reduction Scheme will continue to help low income households in meeting their council tax liability and as such will help to contribute to the wellbeing objectives of: a prosperous Wales; and a more equal Wales.

Consultation

The Council is not required to consult on the proposals of the new scheme as the amendments made are in consequence of amendments made to the Prescribed Requirements Regulations. The local discretions that are available to the Council will remain unchanged.

Background Papers

The Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (Wales) (Amendment) Regulations 2018("Uprating Regulations")



SL5155 - The Council Tax Reduction Schemes
SL5155 - EM The Council Tax Reduction

Dated: 10 January 2018

This page is intentionally left blank



Report

Council

Part 1

Date: 30 January 2018

Subject **Mid- Year Treasury Management Update**

Purpose This report is to inform the Council of treasury activities undertaken during the period to 30 September, 2017. To provide details of the proposal to change the Minimum Revenue Provision (MRP) policy for supported borrowing and to 'opt-up' to professional status in relation to the introduction of the 'Second Markets in Financial Instruments Directive (MiFID II)

Author Head of Finance / Assistant Head of Finance

Ward All

Summary In line with the agreed Treasury Management Strategy, the Council continues to be both a short term investor of cash and borrower to manage day-to-day cash flows. Current forecasts indicate that in the future, temporary borrowing will continue to be required to fund normal day to day cash flow activities.

The first half of the year saw the successful sale of the Friars Walk development which allowed borrowing which had been undertaken in relation to the loan provided to Queensberry Newport Ltd to be repaid. All borrowing in relation to this development are now fully repaid, and this has meant that net borrowing has fallen from £209.2m to £149.1m during the year.

All borrowing and investments undertaken during the first half of the year was expected and within the Council's agreed limits for 2017/18.

The Council currently charges MRP for supported borrowing at 4% reducing balance, it is proposed that this is changed to a 2.5% straight line charge, which will reduce the revenue charge for the provision by c£2.4m.

All Councils have been historically classed as 'professional bodies' when it comes to managing their investments / borrowings. Under the 'Second Markets in Financial Instruments Directive (MiFID II)', they are now required to confirm this by 'opting – up' to this level or elect to drop down to 'private investor status. It is proposed that this Council, in line with nearly all UK Councils, confirm and maintain their current 'professional status'

Proposal That Council:

- (1) To note the treasury management activities for the period to 30 September 2017, which are in line with the agreed 17/18 Treasury Strategies, including the repayment of the Councils own borrowings in relation to the Friar's Walk Development Loan.

- (2) Approve the recommendation that the Council 'opt-up' (and therefore maintain current status) to professional status in relation to the introduction of the 'Second Markets in Financial Instruments Directive (MiFID II), applicable to the UK in January 2018.
- (3) Approve the proposed change to the Minimum Revenue Provision (MRP) policy for supported borrowing to the asset life basis, on a straight line basis, noting the Audit Committee's comments.

Action by Head of Finance / Assistant Head of Finance

Timetable Immediate

This report was prepared after consultation with:

- Audit Committee – all aspects
- Treasury Advisers – MRP Policy changes
- Welsh Audit Office – MRP Policy changes
- Head of Law & Standards
- Head of People & Business Change

Signed

Background

1. The Council's Treasury Management Strategy and Prudential Indicators were approved by Council in March 2017 alongside the Medium Term Financial Plan and the 2017/18 Budget.
2. The Treasury Management Strategy for 2017/18 has been underpinned by the adoption of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management 2011, which includes the requirement for determining a treasury strategy on the likely financing and investment activity for the forthcoming financial year. The Code also recommends that members are informed of Treasury Management activities at least twice a year. This report therefore ensures this authority is embracing best practice in accordance with CIPFA's recommendations.
3. Treasury management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
4. The report has been prepared in accordance with the CIPFA Treasury Management Code and the Prudential Code, and reviews and reports on:
 - Borrowing Strategy / Activity
 - Investment Strategy / Activity
 - Economic Background
 - Compliance with Prudential Indicators approved by Council

BORROWING STRATEGY / ACTIVITY

Short and Long Term Borrowing

5. Whilst the Council has significant long term borrowing requirements, the Council's current strategy of funding capital expenditure is through reducing investments ('internal borrowing') rather than undertaking new borrowing i.e. we defer taking out new long term borrowing and fund capital expenditure from 'day to day positive cash-flows / cash represented by reserves' for as long as we can.

By using this strategy the Council can also minimise cash holding at a time when counterparty risk remains relatively high. The interest rates achievable on the Council's investments are also significantly lower than the current rates payable on long term borrowing and this remains the main reason for our current 'internally borrowed' strategy.

6. Whilst the strategy minimises investment counterparty risk, the risk of interest rate exposure is increased as the current low longer term borrowing rates may rise in the future. The market position is being constantly monitored in order to minimise this risk.
7. As anticipated, during the first half of the year the amount of borrowing has reduced by £60.075m, this relates mainly to the Council's own borrowing associated with the making of loans to develop Friar's Walk. This reduction in borrowing followed the sale of the Friars Walk development and all borrowing in relation to this was able to be fully repaid in July 2017. The borrowing associated with this loan was always kept separate from the Council's other borrowing requirements shown in Appendix B.
8. No further long term loans have been taken out in the first half of the financial year. However, it is anticipated that the Council will need to undertake additional borrowing on a short term basis for the remainder of the year in order to cover normal day to day cash flow activity. With current estimates it is not expected that any additional long-term borrowing would be required in this financial year.

9. Appendix B summarises the Council's debt position as at 30 September 2017. The changes in debt outstanding relate to the raising and repaying of temporary loans.
10. In regards to LOBOs, no loans were called during the period. All £30m outstanding is subject to potential change of interest rates by the lender (which would automatically trigger a right to the Council to repay these loans) prior to the end of this financial year. Should a change of interest rate be requested, then it will be considered in detail and a decision on how we proceed will be made in conjunction with our treasury advisors.

INVESTMENTS ACTIVITY / POSITION

11. The Council's strategies in this area of Treasury Management are (i) to be a short term and relatively low value investor and (ii) investment priorities should follow the priorities of security, liquidity and yield, in that order.

The Council's strategy of being a s/t and relatively low value investor has been maintained, though the repayment of the Friar's Walk loans has increased cash holdings temporarily. In line with our borrowing strategy, this will be allowed to reduce over the next year or so.. As at 30 September 2017, there was a £33.3m balance of short-term investments outstanding.

12. This was anticipated and reported in the 2017/18 TM strategy report at March 2017. All investments are placed on a temporary basis and are placed in high security institutions, in line with our other strategy in this area, dealing with our investing priorities of (i) security (ii) liquidity and (iii) yield, in that order. At the 30 September 2017 £32.5m was placed with various local authorities and £800k with Santander Call Account with the maximum maturity date of 22 March 2018.
13. January 2018 will see the implementation in the UK of the second Markets in Financial Instruments Directive (MiFID II), where firms will be obliged to treat all local authorities as retail clients unless they opt up to professional client status and meet certain criteria. All Councils have historically been 'professional clients' but this directive now requires a formal decision to 'opt – up' to this status, even though it just maintains the current status. The Directive is therefore an opportunity to re-assess this status and to make a deliberate and conscious decision to maintain (by 'opting-up') or change the historically existing professional status and ensure certain updated criteria are met. These criteria include holding a minimum of £10m investment balance and employing knowledgeable and experienced staff to carry out investment transactions. If the Council do not opt up to professional client service it is likely to severely limit the scope of services that financial institutions including advisers and brokers can provide to the Council and increase the costs of financial advice. Therefore it is recommended that the Council will 'opt up' to professional status and therefore would be required in the future to maintain investment balances of at least £10m. This is still a relatively small balance within the context of the Council's finances and cash-flows and still allows us to pursue current strategies on borrowing and investments. This is further discussed in Appendix A.
14. It is anticipated that our investment balances will remain well above the minimum £10m, until the start of 2019/20, when the stock issue of £40m will be due, at this point the Council will need re-finance and undertake new long-term borrowing.
15. The Council does not hold any long-term (more than 364 days) investments as at 30 September 2017.

OTHER MID YEAR TREASURY MATTERS

Economic background and Counter Party Update

16. Appendix A outlines the underlying economic environment during the first half of the financial year, as provided by the Council's Treasury Management Advisors 'Arlingclose'.

17. As discussed previously in this report the Council does not have any long-term investments, and the investments that it currently undertakes is mainly with other local authorities which are deemed very secure, therefore the risk is currently limited. There were no significant changes in credit ratings advised in the first half of the financial year that had implications for the approved lending list. The long term rating of Santander UK, the Council's bankers, remains at A; above the Council's minimum level of A-.

Regulatory Updates

18. The implementation of MiFID II in January 2018 is further detailed in Appendix A.
19. In February 2017 CIPFA canvassed views on the relevance, adoption and practical application of the Treasury Management and Prudential Codes and after reviewing responses launched a further consultation on changes to the codes in August with a deadline for responses of 30th September 2017. Details of the proposed changes are outlined in Appendix A to this report, with the main proposed changes including, the production of a new high-level Capital Strategy report to full council, plans to drop certain indicators and for the treasury management code to include reference to non-treasury investments such as commercial investments in properties in the term "investments".
20. CIPFA have published two revised Codes at the end of 2017 for implementation in 2018/19, although CIPFA plans to put transitional arrangements in place for reports that are required to be approved before the start of the 2018/19 financial year. This will be updated in the Treasury Management Strategy report in February 2018.

Compliance with Prudential Indicators approved by Council

21. The Authority measures and manages its exposures to treasury management risks using various indicators which can be found in Appendix B. The Authority has complied with the Prudential Indicators for 2017/18, set in March 2017 as part of the Treasury Management Strategy. Details of treasury-related Prudential Indicators can be found in Appendix B.

MINIMUM REVENUE PROVISION – CHANGE OF METHOD

Minimum Revenue Provision (MRP) Policy

22. MRP is the method by which Local Authorities charge their revenue accounts over time with the cost of their capital expenditure that was originally funded by debt.
23. From 2007/08 onwards, Local Authorities have been free to set their own policy on calculating MRP, with the sole legislative proviso being that the amount calculated must be one that the Council considers to be "prudent". Detailed guidance then exists as to methods of setting MRP which are deemed acceptable / prudent.
24. Council's agree their policy for charging MRP on an annual basis and can change it from year to year. In practice, Councils tend to stick with a consistent methodology and carry out a periodic review every few years to confirm or change their existing policies / methodologies.

Reason for the review

25. Following significant financial restraints that face local authorities, a number of Councils across the UK; in undertaking their periodic review of their MRP policy, have assessed that it is prudent to

change the existing MRP policy from a 4% reducing balance, to a policy which aligns the MRP charge to the actual average asset lives of the Council. This is because the 4% reducing balance is based on the Capital Financing Requirement method, with the opening balance reducing by 4% each year until the amount is fully extinguished. This begins with a higher charge which reduces each year and takes a significant amount of time to fully repay (c 150 years). In Wales, such reviews have already been undertaken by Torfaen, Merthyr Tydfil, Conwy, Denbighshire, Flintshire, Rhondda Cynon Taff, Caerphilly and Monmouthshire Councils.

26. Newport City Council updated their policy in relation to *unsupported* borrowing last year which resulted in a saving on the MRP charged for that, whilst still being prudent. This was reviewed by the Audit Committee and subsequently approved by Council. In this current year, officers, alongside Treasury Advisers, have undertaken a review of their policy in relation to *supported* borrowing to assess whether there was scope to change the charge which remained prudent but also achieved savings to support the finances of the Council.
27. As noted above, the Council's Treasury Management Advisor, Arlingclose, was commissioned to objectively review the Council's current MRP policy and our findings, including confirming the recommendations as being prudent and within guidelines. This gives an objective and independent review to the Audit Committee and Council.

Current supported borrowing MRP Policy

28. The Council's MRP policy is set on an annual basis in accordance with the 2008 Regulations and approved by Full Council as part of the Treasury Management Strategy and the Revenue Budget prior to the commencement of each financial year.
29. The Council's 2017/18 MRP policy was approved by Council in March 2017 and comprises of the following method to determine the annual MRP charge: -
 - Historic debt liability as at the 31st March 2007 and subsequent capital expenditure funded from supported borrowings to be charged to revenue at 4% in accordance with the CFR Method on a reducing balance basis.
30. Based on the current policy the supported borrowing MRP charge/budget to the revenue account for the 2017/18 financial year is £6,451k.

Alternative approaches

31. The amended Local Authorities (Capital Finance and Accounting) (Wales) regulations require that the Authority make a 'prudent' amount of MRP each year. The regulations also require that the Authority "have regard" to the MRP guidance issued by the WAG. The guidance suggests four options for the calculation of MRP. They are shown in the following table, together with a high level analysis of which one was chosen to review further:

| METHODOLOGY | MAIN ATTRIBUTES / ISSUES | CONCLUSION |
|---------------------|--|--|
| 'Regulatory Method' | (i) Used for pre-2008 borrowing / capital expenditure but regulation allows it to be still used (ii) based on superseded regulations (iii) a complex methodology | Not reviewed as a viable options: -Not used by virtually all Councils at this point. -Overly complex and outdated |

| | | |
|-----------------------|---|---|
| 'CFR method' | <p>(i) Easier to use than above method</p> <p>(ii) Charge based on the Capital Financing Requirement</p> <p>(iii) Charge reduces over time and therefore is a longer term charge for creating 'cash' funds to repay debt</p> | <p>Current methodology / policy</p> |
| 'Asset Life' | <p>(i) Charge based on average asset life's</p> <p>(ii) Different options as to how to implement</p> <p>(iii) Potentially provides a simpler and straightforward method for planning and monitoring purposes</p> <p>(iv) Consistent charge which creates 'cash' funds much quicker than the above methods</p> | <p>Recommended for review</p> <p>-should provide a lower charge whilst still prudent as based on asset life</p> <p>-Easier to use for planning and monitoring purposes</p> <p>-Writes down loan amount / CFR on a consistent and therefore quicker basis</p> |
| 'Depreciation method' | <p>(i) More suitable for unsupported borrowing</p> <p>(ii) Charge based on asset life</p> <p>(iii) More complicated than asset life methodology above as need to take account of revaluations / impairments etc and previous charges made</p> <p>(iii) Produces a higher charge than the above options</p> <p>(iv) Provides a simpler and straightforward method for planning and monitoring purposes</p> | <p>Not reviewed as a viable option</p> <p>-significantly more complicated and time consuming to implement than straight line method, without adding benefit.</p> <p>- would cause large variations in MRP which make it hard to plan</p> <p>-requires implementation on an asset by asset basis and no data on which assets funded by unsupported borrowing and have o/s loans attached to them.</p> |

32. The Asset Life method was deemed a viable option for further review. This is entirely consistent with reviews undertaken by other Local Authorities when they have reviewed their supported borrowing MRP policy / methodology – it is *the* obvious alternative for supported borrowing CFR. This links the supported MRP charge to average asset lives, is allowable within the MRP guidance and links the annual MRP charge to a more realistic assessment of the lives of assets funded through debt.

33. Moving to this method requires an assessment of the average asset life's on the Councils Balance Sheet. These assets have a range of estimated asset lives but it is difficult to establish which are unfinanced and included in the supported element of the CFR and therefore this is calculated using all assets currently on the balance sheet and calculating an average, weighted asset life. This was completed, has been shared with the Council's external auditors and indicated an average weighted life of 40 years.

34. Having established an asset life approach based on 40 years, there are 2 alternative options available for charging the MRP on this basis:

Straight Line Method – Under this approach the MRP charge on the supported borrowing CFR would be applied equally over the 40 year period meaning that the year-on-year charge remains constant.

Annuity Method – This is more commonly used as a method of establishing loan repayments, and works in a similar way. In this context, , it produces a profile of MRP payments that starts low and increases each year. which makes forward planning more difficult.

35. Appendix C shows the different MRP charges each methodology would produce

- Option 1 - 40 year (2.5%) Straight line method
- Option 2 - 40 year (2.5%) Annuity method

The differences mainly relate to timing / value of the charges, as follows:

- Straight line method makes a consistent charge over the 40 year period, therefore easier to use for planning / monitoring purposes
- Straight line is a relatively easier methodology
- Straight line produces a saving of c£2.4m compared to the current budget level and this is then a fixed saving from that point – no future pressures on the budget. Appendix C shows this.
- Annuity method produces a higher saving in the first year at c£4.2m but then increases each year and produces a pressure on the budget in each year. Appendix C shows this.
- By taking a higher saving in first few years, the dis-benefits of moving to the asset life method shown below are very significantly greater with the annuity basis
- All methods charge the same MRP over the total lifespan of each policy / methodology but timings / values are different. The suggested 'asset life' method reduce the annual MRP charge compared to the current policy / method in the short to medium term but that is then reversed over the medium to long term. This however, under the straight line method would not create any budget problem as the saving is taken in the year of implementation and the charge is then fixed.

On balance, the Head of Finance recommends the straight line method given the significant increase in the dis-benefits shown above that the annuity method would create the ease of use and easier planning / monitoring. Implementation is recommended for 2017/18.

Revised policy

36. Due to current austerity and the pressure on revenue budgets, it is deemed necessary to assess the above alternative approaches to assess whether a change in the MRP policy could release savings while maintaining a prudent charge which meets Welsh Government guidance.

37. From the above alternative approaches, moving to an 'asset life' approach based on the 40 years asset life calculated from a review of the balance sheet would provide the Authority with an ongoing

saving of £2.4m. If this was brought in from 2017/18 financial year, this saving could be moved to an earmarked reserve, which could be utilised to further support future budget pressures.

38. While creating a significant saving from day one of implementation, the revised policy also:

- Meets Welsh Government guidance of charging MRP
- Provides a straight line charge to the revenue account, which will assist in future planning, and does not cause increased budget pressure in future years unlike with the annuity method.
- Provides a number of positives which would be beneficial to the Wellbeing and Future Generations Act, such as:
 - Linking the MRP charge to the useful life of the asset, therefore applying the charge to the taxpayers who have use of the asset
 - From this, there is a reduction in the time to extinguish the “repayment” of the borrowing undertaken to fund capital expenditure will be reduced from c.150 years to 40 years.
 - Protects front line services from being cut for future generations to use, while funding is being cut.
 - Asset life being used is well inside the maximum allowable in guidance of 50 years.

39. However it is recognised there are a number of consequences of reducing the MRP charge from the current policy, these include:

- The current method would see, with all other factors remaining equal, a reducing charge in each year. As per table 1 in year 13, the revised method would actually cost more than the reduced charge. However, in reality the reduced Capital Financing Requirement would be replaced by further supported capital expenditure, therefore it is unlikely that this reduced charge would be realised as future savings.
- Reduced MRP charge will reduce cash-flow over the short to medium term, which will mean that borrowing may need to be brought forward.
- Reduces headroom for new borrowing without increasing the current ‘borrowing requirement’ compared to current methodology. This is exemplified by Chart 2 in Appendix C.

Audit Committee review and conclusions

40. The revised policy and this report were reviewed by the Councils Audit Committee in their November and January meeting. The following views were made and require to be shared with Council:

- The proposed new policy is consistent with WG guidelines
- The move to an asset life based policy is more consistent with the principles of the ‘Well Being & Future Generation’ framework than the current policy
- The proposed new policy generates ‘cash’ which repays borrowing / reduce CFR at a faster rate than the current policy
- There are dis-benefits which the Council needs to be aware of – the increased cost on a like for like basis after year 13, pressure on cash-flow and the reduced headroom for capital expenditure whilst keeping borrowing requirements at current levels, compared to the existing policy.

Financial Summary

41. The decrease in the charge to revenue resulting from changing to the various options is shown in Appendix C, Table 1.

42. If the Council were to implement the proposed Option 1 from 2017/18, this would create an underspend of c. £2.4m in this financial year. This underspend will continue, until a saving is taken in relation to this.

Although Option 1 gives revenue savings, due to the fact that MRP could be looked at as a provision for the repayment of debt, this saving in turn leads to less cash being left in the authority to repay existing borrowing or delaying taking out new borrowing. Therefore there is going to be £2.4m less cash each financial year, in order to repay this debt over the short to medium term.

43. Another impact of reducing the MRP charge is that it reduces the speed in which the CFR is falling. We are currently developing the capital programme for 2018/19 to 2022/23, and if the current assumption was to fund capital expenditure through borrowing at the same rate as the MRP is “falling-off”, then as MRP is declining at a lower rate if we implement the new proposal, this impacts on the level of capital expenditure the Council can undertake without causing a pressure on revenue budgets i.e. it reduces the headroom the capital programme has to play with. The impact of this over the life of the programme is estimated to be a reduction in capital expenditure of c.£10m. Chart 2 in Appendix C, shows the reduction in headroom due to change in MRP policy.
44. From Table 1 in Appendix C, you can see that all other things remaining equal, the MRP charge on the current policy would reduce incrementally each year as the CFR reduces. However, in option 1 this would remain a steady charge until the CFR was extinguished. Therefore in the first year there would be a variance of a lower charge, which would incrementally reduce until year 13 where the charge that would be made under Option 1 is actually higher than that made under the current method, and this difference would increase as the years go on.
45. However, from the perspective of future revenue implications, the straight line method gives a level of certainty over the charge as it is more stable than the reducing balance method, and although the comparative values show a higher amount in year 13 onwards, this will not be an actual pressure on the medium term financial plan as the straight line charge is fixed. The implication is that the capital programme would need to be restricted to fit within the new funding envelope of the lower charge which is illustrated in Chart 2 of the appendix.
46. Wales Audit Office have been consulted on the proposed change to Option 1 and have reviewed the basis of the charge and are content that this is in line with current guidance and that it is prudent. The Council’s Treasury Advisors have also advised that all methods reviewed comply with WG guidance, it is however the responsibility of the Section 151 Officer to assess its prudence..

Summary of change to Option 1

47. The table below shows the main differences and implications of change to a 2% straight line MRP charge in comparison to the current MRP policy of charging at 4% reducing balance.

| Impact | Current Policy 4% Reducing Balance | Option 1 – 2.5% Straight Line |
|---|--|--|
| Supported borrowing MRP Charge (no new capital exp) | £6.4m reducing each year | £4m straight line |
| Revenue saving achieved | N/A | £2.4m |
| CFR balance after 40 years | £31.5m | £0 |
| Asset lives | Not based on asset lives therefore span to pay off is longer than realistic asset life | Based on 40 year asset life which is felt realistic |
| Future Generations Act | Higher MRP charge today but would like for like be lower for | Lower MRP charge, but it could be argued that the current policy |

| | | |
|-------------|--|--|
| | taxpayers in the future (after year 13 for comparative purposes) | is placing a subsidy on current taxpayers for assets that will not have the expected life in future. This policy addresses that issue. |
| WG Guidance | Follows the CFR Method of WG Guidance | Follows the Asset Life Method of WG guidance which is still deemed acceptable and prudent by both the Head of Finance and Treasury Advisors. |

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? |
|---|--|---------------------------------------|---|--|
| Investment counterparty not repaying investments | High but depending on investment value | Low | The Council only invests with Institutions with very high credit scores. It employs advisors to monitor money market movements and changes to credit scores and acts immediately should things change adversely. The lower levels of funds available for investment will also alleviate the risk. | Members, Head of Finance, Treasury staff, based on advice from treasury advisors |
| Interest Rates moving adversely against expectations | Low | Low | Despite recent increase in the bank rate to 0.5%, future expectations for higher short term rates are subdued. The Treasury strategy approved allows for the use of short term borrowing once investment funds are exhausted to take advantage of these low rates. | Head of Finance, Treasury staff, treasury advisors |
| Due to change in MRP policy, pressure on cash resources increases so that external borrowing required | Medium | Medium | When re-financing of the stock issue comes in to place, thought will be given to the impact on the reduction of cash in the organisation to repay borrowing and the revenue implication of this. | Head of Finance, Treasury staff, treasury advisors |

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

It is the Council's policy to ensure that the security of the capital sums invested is fully recognised and has absolute priority. The Council follows the advice of the Welsh Governments that any investment decisions take account of security, liquidity and yield in that order.

Options Available and considered

The Prudential Code and statute requires that, during and at the end of each financial year, reports on these matters are presented to Council for approval. Thus the only option available is consider the report and provide comments to the Council.

The Council could decide to not change its MRP policy and maintain existing policy

The Council could decide not to 'opt-up' and maintain current professional client status in relation to Treasury activities

Preferred Option and Why

Note the contents of the report in relation to Treasury activities and all Treasury Indicators met.

To change MRP policy to asset life basis from 2017/18 based on straight line basis in line with HoF recommendation and reviewed by external Advisers and the Audit Committee

To maintain current status of professional client and 'opt-up'.

Comments of Chief Financial Officer

Decisions made on treasury matters will be made with a view the Treasury Management Strategy, Treasury Advisors and Prudential Indicators.

The change of the MRP policy will create an immediate saving as highlighted in the report. These will be built into the Medium Term Financial Plan as part of the budget strategy.

Comments of Monitoring Officer

There are no legal implications. The in year and annual treasury management report is consistent with relevant Chartered Institute of Public Finance and Accountancy Guidance, Treasury Management principles and the Council's investment Strategy.

Comments of Head of People and Business Change

There are no staffing implications within the report. As the proposed changes to the MRP policy now look to charge this over the life of the asset it is in keeping with the sustainability principles within the Well-being of Future Generations Act and helps support better medium to long term planning.

Comments of Cabinet Member

The Leader of the Council, as lead member for strategic finance confirms she has been consulted on the report, including the proposals to change the MRP policy and maintain our current professional client status in relation to Treasury activities.

Local issues

N/A

Scrutiny Committees

N/A

Equalities Impact Assessment and the Equalities Act 2010

No issues

Children and Families (Wales) Measure

No issues

Wellbeing of Future Generations (Wales) Act 2015

As noted in paragraph 38, the change to the MRP policy brings improvements compared to the existing policy in relation to this Act.

Crime and Disorder Act 1998

No issues

Consultation

As noted in the report – the report was reviewed by the Audit Committee. Their comments are summarised in paragraph 40 above

Background Papers

Treasury Management Strategy report to Audit Committee January 2017.

Report to Council February 2017: 2017/18 Budget and Medium Term Financial Plan

Report to Audit Committee January 23rd

Dated: 24 January 2018

APPENDIX A

External Context

Economic backdrop: Commodity prices fluctuated over the period with oil falling below \$45 a barrel before inching back up to \$58 a barrel. UK Consumer Price Inflation (CPI) index rose with the data print for August showing CPI at 2.9%, its highest since June 2013 as the fall in the value of sterling following the June 2016 referendum result continued to feed through into higher import prices. The new inflation measure CPIH, which includes owner occupiers' housing costs, was at 2.7%.

The unemployment rate fell to 4.3%, its lowest since May 1975, but the squeeze on consumers intensified as average earnings grew at 2.5%, below the rate of inflation. Economic activity expanded at a much slower pace as evidenced by Q1 and Q2 GDP growth of 0.2% and 0.3% respectively. With the dominant services sector accounting for 79% of GDP, the strength of consumer spending remains vital to growth, but with household savings falling and real wage growth negative, there are concerns that these will be a constraint on economic activity in the second half of calendar 2017.

The Bank of England made no change to monetary policy at its meetings in the first half of the financial year. The vote to keep Bank Rate at 0.25% narrowed to 5-3 in June highlighting that some MPC members were more concerned about rising inflation than the risks to growth. Although at September's meeting the Committee voted 7-2 in favour of keeping Bank Rate unchanged, the MPC changed their rhetoric, implying a rise in Bank Rate in "the coming months". The Council's treasury advisor Arlingclose is not convinced the UK's economic outlook justifies such a move at this stage, but the Bank's interpretation of the data seems to have shifted.

In contrast, near-term global growth prospects improved. The US Federal Reserve increased its target range of official interest rates in June for the second time in 2017 by 25bps (basis points) to between 1% and 1.25% and, despite US inflation hitting a soft patch with core CPI at 1.7%, a further similar increase is expected in its December 2017 meeting. The Fed also announced confirmed that it would be starting a reversal of its vast Quantitative Easing programme and reduce the \$4.2 trillion of bonds it acquired by initially cutting the amount it reinvests by \$10bn a month.

Geopolitical tensions escalated in August as the US and North Korea exchanged escalating verbal threats over reports about enhancements in North Korea's missile programme. The provocation from both sides helped wipe off nearly \$1 trillion from global equity markets but benefited safe-haven assets such as gold, the US dollar and the Japanese yen. Tensions remained high, with North Korea's threat to fire missiles towards the US naval base in Guam, its recent missile tests over Japan and a further testing of its latent nuclear capabilities.

Prime Minister Theresa May called an unscheduled General Election in June, to resolve uncertainty but the surprise result has led to a minority Conservative government in coalition with the Democratic Unionist Party. This clearly results in an enhanced level of political uncertainty. Although the potential for a so-called hard Brexit is diminished, lack of clarity over future trading partnerships, in particular future customs agreements with the rest of the EU block, is denting business sentiment and investment. The reaction from the markets on the UK election's outcome was fairly muted, business confidence now hinges on the progress (or not) on Brexit negotiations, the ultimate 'divorce bill' for the exit and whether new trade treaties and customs arrangements are successfully concluded to the UK's benefit.

In the face of a struggling economy and Brexit-related uncertainty, Arlingclose expects the Bank of England to take only a very measured approach to any monetary policy tightening, any increase will be

gradual and limited as the interest rate backdrop will have to provide substantial support to the UK economy through the Brexit transition.

Financial markets: Gilt yields displayed significant volatility over the six-month period with the appearing change in sentiment in the Bank of England's outlook for interest rates, the push-pull from expectations of tapering of Quantitative Easing (QE) in the US and Europe and from geopolitical tensions, which also had an impact. The yield on the 5-year gilts fell to 0.35% in mid-June, but then rose to 0.80% by the end of September. The 10-year gilts similarly rose from their lows of 0.93% to 1.38% at the end of the quarter, and those on 20-year gilts from 1.62% to 1.94%.

The FTSE 100 nevertheless powered away reaching a record high of 7548 in May but dropped back to 7377 at the end of September. Money markets rates have remained low: 1-month, 3-month and 12-month LIBID rates have averaged 0.25%, 0.30% and 0.65% over the period from January to 21st September.

Credit background: UK bank credit default swaps continued their downward trend, reaching three-year lows by the end of June. Bank share prices have not moved in any particular pattern.

There were a few credit rating changes during the quarter. The significant change was the downgrade by Moody's to the UK sovereign rating in September from Aa1 to Aa2 which resulted in subsequent downgrades to sub-sovereign entities including local authorities. Moody's downgraded Standard Chartered Bank's long-term rating to A1 from Aa3 on the expectation that the bank's profitability will be lower following management's efforts to de-risk their balance sheet. The agency also affirmed Royal Bank of Scotland's and NatWest's long-term ratings at Baa1, placed Lloyds Bank's A1 rating on review for upgrade, revised the outlook of Santander UK plc, and Nationwide and Coventry building societies from negative to stable but downgraded the long-term rating of Leeds BS from A2 to A3.

S&P also revised Nordea Bank's outlook to stable from negative, whilst affirming their long-term rating at AA-. The agency also upgraded the long-term rating of ING Bank from A to A+.

Ring-fencing, which requires the larger UK banks to separate their core retail banking activity from the rest of their business, is expected to be implemented within the next year. In May, following Arlingclose's advice, the Authority reduced the maximum duration of unsecured investments with Bank of Scotland, HSBC Bank and Lloyds Bank from 13 months to 6 months as until banks' new structures are finally determined and published, the different credit risks of the 'retail' and 'investment' banks cannot be known for certain.

The new EU regulations for Money Market Funds were finally approved and published in July and existing funds will have to be compliant by no later than 21st January 2019. The key features include Low Volatility NAV (LVNAV) Money Market Funds which will be permitted to maintain a constant dealing NAV, providing they meet strict new criteria and minimum liquidity requirements. MMFs will not be prohibited from having an external fund rating (as had been suggested in draft regulations). Arlingclose expects most of the short-term MMFs it recommends to convert to the LVNAV structure and awaits confirmation from each fund.

Regulatory Updates

MiFID II: Local authorities are currently treated by regulated financial services firms as professional clients who can "opt down" to be treated as retail clients instead. But from 3rd January 2018, as a result of the second Markets in Financial Instruments Directive (MiFID II), local authorities will be treated as retail clients who can "opt up" to be professional clients, providing that they meet certain criteria.

Regulated financial services firms include banks, brokers, advisers, fund managers and custodians, but only where they are selling, arranging, advising or managing designated investments. In order to opt up to professional, the authority must have an investment balance of at least £10 million and the person authorised to make investment decisions on behalf of the authority must have at least one year's relevant professional experience. In addition, the firm must assess that that person has the expertise, experience and knowledge to make investment decisions and understand the risks involved.

The main additional protection for retail clients is a duty on the firm to ensure that the investment is "suitable" for the client. However, local authorities are not protected by the Financial Services Compensation Scheme nor are they eligible to complain to the Financial Ombudsman Service whether they are retail or professional clients. It is also likely that retail clients will face an increased cost and potentially restricted access to certain products including money market funds, pooled funds, treasury bills, bonds, shares and to financial advice. The Authority has declined to opt down to retail client status in the past as the costs were thought to outweigh the benefits.

The Authority meets the conditions to opt up to professional status and intends to do so in order to maintain their current MiFID status.

CIPFA Consultation on Prudential and Treasury Management Codes: In February 2017 CIPFA canvassed views on the relevance, adoption and practical application of the Treasury Management and Prudential Codes and after reviewing responses launched a further consultation on changes to the codes in August with a deadline for responses of 30th September 2017. The Authority responded to this consultation with its feedback.

The proposed changes to the Prudential Code include the production of a new high-level Capital Strategy report to full council which will cover the basics of the capital programme and treasury management. The prudential indicators for capital expenditure and the authorised borrowing limit would be included in this report but other indicators may be delegated to another committee. There are plans to drop certain prudential indicators, however local indicators are recommended for ring fenced funds (including the HRA) and for group accounts. Other proposed changes include applying the principles of the Code to subsidiaries.

Proposed changes to the Treasury Management Code include the potential for non-treasury investments such as commercial investments in properties in the definition of "investments" as well as loans made or shares brought for service purposes. Another proposed change is the inclusion of financial guarantees as instruments requiring risk management and addressed within the Treasury Management Strategy. Approval of the technical detail of the Treasury Management Strategy may be delegated to a committee rather than needing approval of full Council. There are also plans to drop or alter some of the current treasury management indicators.

CIPFA intends to publish the two revised Codes towards the end of 2017 for implementation in 2018/19, although CIPFA plans to put transitional arrangements in place for reports that are required to be approved before the start of the 2018/19 financial year. The Department of Communities and Local Government (DCLG) and CIPFA wish to have a more rigorous framework in place for the treatment of commercial investments as soon as is practical. It is understood that DCLG will be revising its Investment Guidance (and its MRP guidance) for local authorities in England; however there have been no discussions with the devolved administrations yet.

Outlook for the remainder of 2017/18

The UK economy faces a challenging outlook as the minority government continues to negotiate the country's exit from the European Union. Both consumer and business confidence remain subdued. Household consumption growth, the driver of UK GDP growth, has softened following a contraction in real wages. Savings rates are at an all-time low and real earnings growth (i.e after inflation) struggles in the face of higher inflation.

The Bank of England's Monetary Policy Committee has changed its rhetoric, implying a rise in Bank Rate in "the coming months". Arlingclose is not convinced the UK's economic outlook justifies such a move at this stage, but the Bank's interpretation of the data seems to have shifted.

Arlingclose's central case is for gilt yields to remain broadly stable in the across the medium term, but there may be near term volatility due to shifts in interest rate expectations.

APPENDIX B

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. These factors are summarised in table 1 below.

Table 1: Balance Sheet Summary

| | 31.3.17 Actual £m |
|--------------------------------|-------------------------|
| General Fund CFR | 276.1 |
| Less: Other debt liabilities * | -47.4 |
| Borrowing CFR | 228.7 |
| Less: Usable reserves | -107.2 |
| Less: Working capital | 88.0 |
| Net borrowing | 209.5 |

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

The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk and keep interest costs low. The treasury management position as at 30 September 2017 and the change over the period is show in table 2 below.

Table 2: Treasury Management Summary

| Newport City Council Debt | Outstanding as at 31/03/17 £m | Debt Raised £m | Debt Repaid £m | Outstanding as at 30/09/2017 £m |
|---|-------------------------------|----------------|----------------|---------------------------------|
| Public Works Loans Board | 71.1 | 0 | 0 | 71.1 |
| Market Loans | 35.0 | 0 | 0 | 35.0 |
| Stock Issue | 40.0 | 0 | 0 | 40.0 |
| Total Long Term Loans | 146.1 | 0 | 0 | 146.1 |
| Temporary Debt | 63.1 | 44.3 | 104.4 | 3.0 |
| Total Long Term and Temporary Debt | 209.2 | 44.3 | 104.4 | 149.1 |

Borrowing Strategy during the half year

At 30/9/2017 the Authority held £149.1m of loans, (a decrease of £60.1m on 31/3/2017), as part of its strategy for funding previous years' capital programmes. The 30th September 2017 borrowing position is show in table 3 below.

Table 3: Borrowing Position

| | 31.3.17 Balance £m | Movement £m | 30.9.17 Balance £m | 30.9.17 Weighted average rate % | 30.9.17 Weighted average maturity years |
|--------------------------------|--------------------------|----------------|--------------------------|---|---|
| Public Works Loan Board | 71.1 | 0 | 71.1 | 4.45 | 16.6 |
| Banks (LOBO) | 30.0 | 0 | 30.0 | 4.302 | 36.8 |
| Banks (fixed-term) | 5.0 | 0 | 5.0 | 3.77 | 60.5 |
| Stock Issue | 40.0 | 0 | 40.0 | 8.875 | 1.5 |
| Local authorities (long-term) | 0 | 0 | 0 | - | - |
| Local authorities (short-term) | 63.1 | (60.1) | 3.0 | 0.35% | 0 |
| Total borrowing | 209.2 | (60.1) | 149.1 | 5.52% | 17.7 |

The “cost of carry” analysis performed by the Authority’s treasury management advisor Arlingclose did not indicate any value in borrowing in advance for future years’ planned expenditure and therefore none was taken.

The Authority continues to hold £30m of LOBO (Lender’s Option Borrower’s Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during the first half of 2017/18.

Investment Activity

The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the first half of 2017/18 the Authority’s investment balance ranged between £0.6m and £96 million (due to sale of Friars Walk receipt) due to timing differences between income and expenditure. The investment position during the half year is shown in table 4 below.

Table 4: Investment Position

| | 31.3.17 Balance £m | Movement £m | 30.9.17 Balance £m | 30.9.17 Weighted average rate % | 30.9.17 Weighted average maturity Years |
|---|--------------------------|----------------|--------------------------|---|---|
| Banks & building societies (unsecured) | 2.3 | (1.5) | 0.8 | 0.15 | 0 |
| Government (incl. local authorities) | 0 | 32.5 | 32.5 | 0.23 | 0.27 |
| Total investments | 2.3 | 31.0 | 33.3 | 0.22 | 0.26 |

Both the CIPFA Code and government 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.

Compliance Report

The Head of Finance is pleased to report that all treasury management activities undertaken during the first half of 2017/18 complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management Strategy. Compliance with specific investment limits is demonstrated in table 7 below.

Table 7: Investment Limits

| | 30.9.17 Actual (£m) | 2017/18 Limit (£m) | Complied |
|---|------------------------------------|-----------------------------------|-----------------|
| Banks Unsecured | 0.8 | £5m | ✓ |
| Banks Secured | 0 | £10m | ✓ |
| Government | 32.5 | Unlimited | ✓ |
| Corporates | 0 | £5m | |
| Registered Providers | 0 | £5m | ✓ |
| Unsecured investments with Building Societies | 0 | £5m | ✓ |

Compliance with the authorised limit and operational boundary for external debt is demonstrated in table 8 below.

Table 8: Debt Limits

| | H1 Maximum (£m) | 30.9.17 Actual (£m) | 2017/18 Operational Boundary (£m) | 2017/18 Authorised Limit (£m) | Complied |
|----------------------|--------------------------------|------------------------------------|--|--|-----------------|
| Borrowing | 209 | 149 | 288 | 308 | ✓ |
| PFI & finance leases | 46 | 46 | 46 | 46 | ✓ |
| Total debt | 255 | 195 | 334 | 354 | ✓ |

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

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 net principal borrowed was:

| | 30.9.17 Actual | 2017/18 Limit | Complied |
|--|---------------------------|--------------------------|-----------------|
| Upper limit on fixed interest rate exposure | 100% | 100% | ✓ |
| Upper limit on variable interest rate exposure | 0 | 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 were:

| | 30.9.17 Actual | Upper Limit | Lower Limit | Complied |
|--------------------------------|---------------------------|------------------------|------------------------|-----------------|
| Under 12 months | 22% | 80% | 0% | ✓ |
| 12 months and within 24 months | 27% | 70% | 0% | ✓ |
| 24 months and within 5 years | 3% | 70% | 0% | ✓ |
| 5 years and within 10 years | 25% | 50% | 0% | ✓ |
| 10 years and within 20 years | 8% | 30% | 0% | ✓ |
| 20 years and within 30 years | 0% | 20% | 0% | ✓ |
| 30 years and within 40 years | 9% | 20% | 0% | ✓ |
| 40 years and within 50 years | 3% | 20% | 0% | ✓ |
| 50 years and above | 3% | 20% | 0% | ✓ |

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 were:

| | 2017/18 | 2018/19 | 2019/20 |
|---|----------------|----------------|----------------|
| Actual principal invested beyond year end | 0 | 0 | 0 |
| Limit on principal invested beyond year end | 5 | 5 | 5 |
| Complied | ✓ | ✓ | ✓ |

In the next TM Strategy report we may need to adjust these limits taking into consideration the introduction of MiFID II.

APPENDIX C – MRP POLICY OPTION APPRAISAL

Table 1

| Period | Year | Current MRP | | Option 1 | | | Option 2 | | |
|--------|------|--|--------------------------------|---|-------------------------------------|-----------------------|--|-------------------------------------|-----------------------|
| | | CFR 4% Reducing Balance (£'000) | MRP Charge 4% RB (£'000) | CFR 2.5% Straight Line (£'000) | MRP Charge 2.5% SL (£'000) | Difference (£'000) | CFR 2.5% Annuity Method (£'000) | MRP Charge 2.5% AM (£'000) | Difference (£'000) |
| 1 | 2017 | 161,278 | 6,451 | 161,278 | 4,032 | (2,419) | 161,278 | 2,253 | (4,198) |
| 2 | 2018 | 154,827 | 6,193 | 157,246 | 4,032 | (2,161) | 159,025 | 2,315 | (3,878) |
| 3 | 2019 | 148,634 | 5,945 | 153,214 | 4,032 | (1,913) | 156,710 | 2,379 | (3,566) |
| 4 | 2020 | 142,688 | 5,708 | 149,182 | 4,032 | (1,676) | 154,331 | 2,445 | (3,262) |
| 5 | 2021 | 136,981 | 5,479 | 145,150 | 4,032 | (1,447) | 151,885 | 2,513 | (2,966) |
| 6 | 2022 | 131,502 | 5,260 | 141,118 | 4,032 | (1,228) | 149,372 | 2,583 | (2,677) |
| 7 | 2023 | 126,242 | 5,050 | 137,086 | 4,032 | (1,018) | 146,790 | 2,654 | (2,395) |
| 8 | 2024 | 121,192 | 4,848 | 133,054 | 4,032 | (816) | 144,135 | 2,728 | (2,120) |
| 9 | 2025 | 116,344 | 4,654 | 129,022 | 4,032 | (622) | 141,408 | 2,803 | (1,851) |
| 10 | 2026 | 111,690 | 4,468 | 124,990 | 4,032 | (436) | 138,604 | 2,881 | (1,587) |
| 11 | 2027 | 107,223 | 4,289 | 120,959 | 4,032 | (257) | 135,724 | 2,961 | (1,328) |
| 12 | 2028 | 102,934 | 4,117 | 116,927 | 4,032 | (85) | 132,763 | 3,043 | (1,075) |
| 13 | 2029 | 98,817 | 3,953 | 112,895 | 4,032 | 79 | 129,720 | 3,127 | (826) |
| 14 | 2030 | 94,864 | 3,795 | 108,863 | 4,032 | 237 | 126,593 | 3,214 | (581) |
| 15 | 2031 | 91,069 | 3,643 | 104,831 | 4,032 | 389 | 123,380 | 3,303 | (340) |
| 16 | 2032 | 87,427 | 3,497 | 100,799 | 4,032 | 535 | 120,077 | 3,394 | (103) |
| 17 | 2033 | 83,930 | 3,357 | 96,767 | 4,032 | 675 | 116,683 | 3,488 | 131 |
| 18 | 2034 | 80,572 | 3,223 | 92,735 | 4,032 | 809 | 113,195 | 3,585 | 362 |
| 19 | 2035 | 77,349 | 3,094 | 88,703 | 4,032 | 938 | 109,610 | 3,684 | 590 |
| 20 | 2036 | 74,255 | 2,970 | 84,671 | 4,032 | 1,062 | 105,926 | 3,786 | 816 |
| 21 | 2037 | 71,285 | 2,851 | 80,639 | 4,032 | 1,181 | 102,140 | 3,891 | 1,040 |
| 22 | 2038 | 68,434 | 2,737 | 76,607 | 4,032 | 1,295 | 98,249 | 3,999 | 1,261 |
| 23 | 2039 | 65,697 | 2,628 | 72,575 | 4,032 | 1,404 | 94,250 | 4,110 | 1,482 |
| 24 | 2040 | 63,069 | 2,523 | 68,543 | 4,032 | 1,509 | 90,141 | 4,223 | 1,701 |
| 25 | 2041 | 60,546 | 2,422 | 64,511 | 4,032 | 1,610 | 85,917 | 4,340 | 1,918 |
| 26 | 2042 | 58,124 | 2,325 | 60,479 | 4,032 | 1,707 | 81,577 | 4,461 | 2,136 |
| 27 | 2043 | 55,799 | 2,232 | 56,447 | 4,032 | 1,800 | 77,116 | 4,584 | 2,352 |
| 28 | 2044 | 53,567 | 2,143 | 52,415 | 4,032 | 1,889 | 72,532 | 4,711 | 2,568 |
| 29 | 2045 | 51,424 | 2,057 | 48,383 | 4,032 | 1,975 | 67,821 | 4,842 | 2,785 |
| 30 | 2046 | 49,367 | 1,975 | 44,351 | 4,032 | 2,057 | 62,980 | 4,976 | 3,001 |
| 31 | 2047 | 47,393 | 1,896 | 40,320 | 4,032 | 2,136 | 58,004 | 5,114 | 3,218 |
| 32 | 2048 | 45,497 | 1,820 | 36,288 | 4,032 | 2,212 | 52,890 | 5,255 | 3,435 |
| 33 | 2049 | 43,677 | 1,747 | 32,256 | 4,032 | 2,285 | 47,635 | 5,401 | 3,654 |
| 34 | 2050 | 41,930 | 1,677 | 28,224 | 4,032 | 2,355 | 42,234 | 5,550 | 3,873 |
| 35 | 2051 | 40,253 | 1,610 | 24,192 | 4,032 | 2,422 | 36,684 | 5,704 | 4,094 |
| 36 | 2052 | 38,643 | 1,546 | 20,160 | 4,032 | 2,486 | 30,980 | 5,862 | 4,316 |
| 37 | 2053 | 37,097 | 1,484 | 16,128 | 4,032 | 2,548 | 25,118 | 6,024 | 4,541 |
| 38 | 2054 | 35,613 | 1,425 | 12,096 | 4,032 | 2,607 | 19,093 | 6,191 | 4,767 |
| 39 | 2055 | 34,189 | 1,368 | 8,064 | 4,032 | 2,664 | 12,902 | 6,363 | 4,995 |
| 40 | 2056 | 32,821 | 1,313 | 4,032 | 4,032 | 2,719 | 6,539 | 6,539 | 5,226 |
| 41 | 2057 | 31,508 | 1,260 | 0 | | | 0 | | |

Chart 1

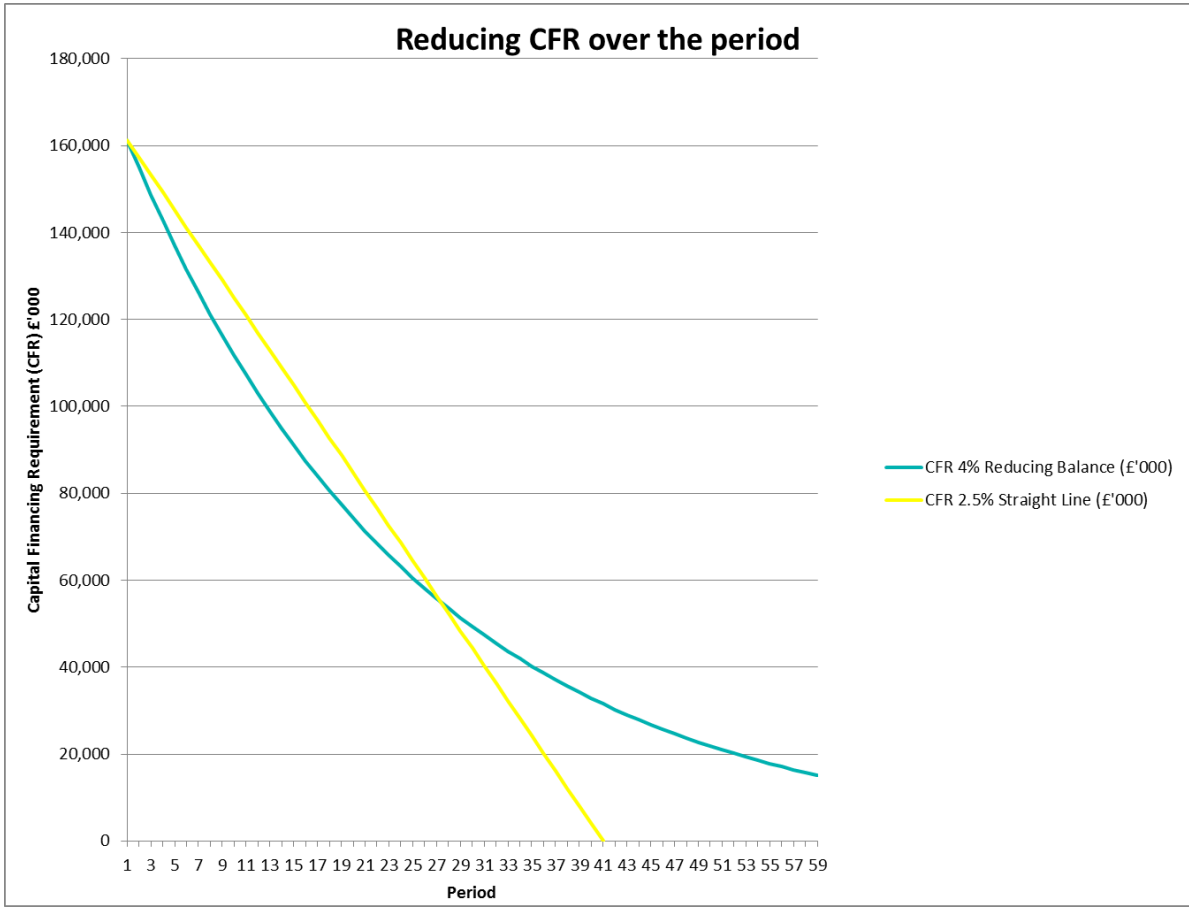
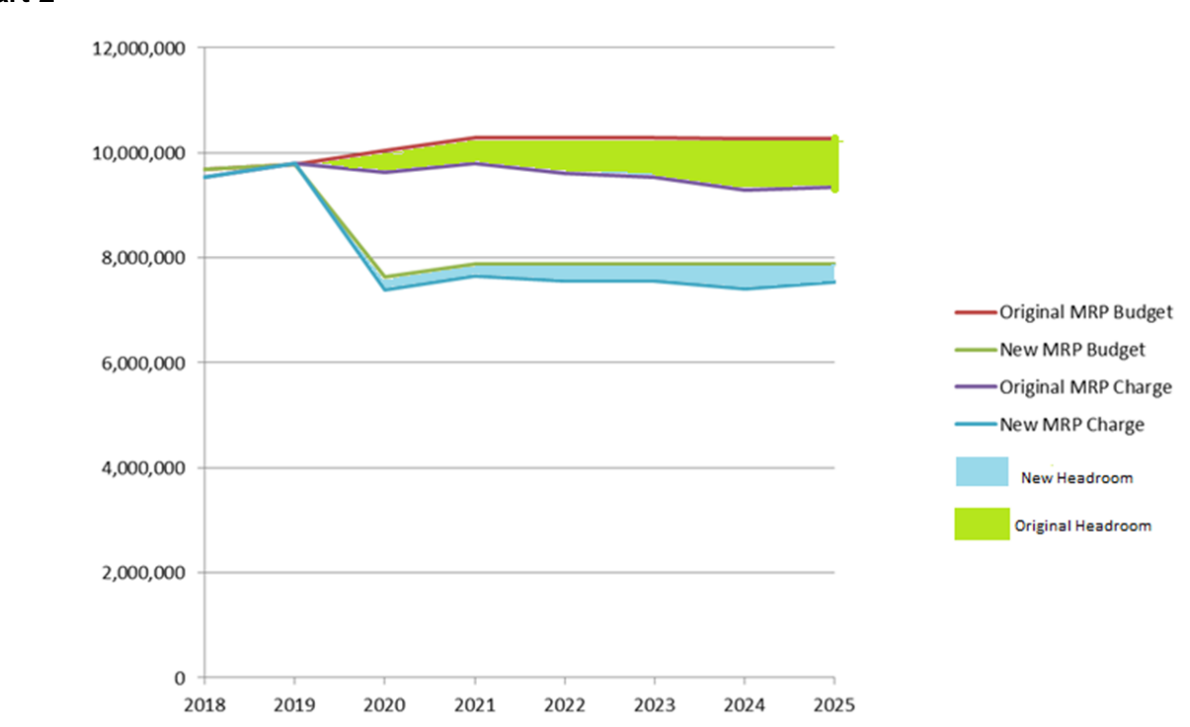


Chart 2



The difference in the shaded area between the current MRP policy and the proposed policy is reduced “headroom” which relates to capital expenditure of c£10m over the programme to 2023/24.



Report

Newport City Council

Part 1

Date: 30 January 2018

Subject Schedule of meetings

Purpose To adopt a schedule of meetings for the period May 2018 to May 2019.

Author Democratic Services and Communications Manager

Ward All wards

Summary The proposed schedule of meetings attempts to structure the diary with a series of meetings to facilitate the decision making process through the Council, Executive and Regulatory Committees. The schedule of meetings also sets a pattern of meetings for Scrutiny Committees and other bodies.

The diary does not include dates for meetings of individual Cabinet Members as Cabinet Members will take a view on when they need to meet to make decisions, rather than be bound by a diary of meetings. This will, of course, not affect members' opportunities for consultation on proposed decisions or to request to meet the Cabinet Member before decisions are taken.

It is suggested that the dates, times and locations of all meetings other than the Council meeting are to be left to each individual committee. It is suggested that the needs of Councillors who have work or other commitments at any time during the day are taken into account by the various committees and groups.

The schedule will remain a guide and subject to change and amendment to meet the needs of the work programmes of each committee or other group.

Proposal To adopt the schedule of meetings as the basis for arrangements for May 2018 to May 2019, recognising it is subject to change and amendment to meet the needs of the work programmes of each committee or other group.

Action by Democratic Services and Communications Manager

Timetable As set out in the diary and subject to the views of individual committees

This report was prepared after consultation with:

- All Chief Officers
- Monitoring Officer
- Head of Finance
- Democratic Administrators and Scrutiny staff

Background

The Council needs to agree a schedule of meetings to allow members to be aware of the pattern of meetings and to assist officers in producing reports in good time for the various stages of the decision making process or the overview and scrutiny process.

Work programme and schedule of full Council meetings

The following sets out the notional Council work programme and proposed dates of meetings. Normally the meetings will commence at 5.00pm and will be broadcast live on the Council's website.

| Meeting Date | Provisional Work Programme |
|------------------|---|
| 15 May 2018 | Mayor Making and AGM |
| 24 July 2018 | Democratic Services Committee Annual Report Head of Democratic Services Annual Report Director of Social Services Annual Report Treasury Management Welsh Language Annual Report Strategic Equality Plan Annual Report |
| 11 Sept 2018 | Scrutiny Annual Report Standards Committee Annual Report Improvement Plan Review |
| 27 November 2018 | Treasury Management |
| 29 January 2019 | Mayoral Nomination Council Schedule of Meetings Treasury Management Council Tax Reduction Scheme |
| 26 February 2019 | 2019-20 Budget and Medium Term Financial Plan |
| 30 April 2019 | Independent Remuneration Panel Annual Report NNDR Rate Relief Pay and Reward Policy |
| 14 May 2019 | Mayor Making and AGM |

Cabinet meetings

Normally the Cabinet will meet each month but additional meetings will be arranged as necessary. The Leader of the Cabinet will agree any amendments to the programme as shown in this report.

Other committees

For all other meetings, timings of meetings will be a matter for each individual committee. Amendments will be agreed following consultation with committee members.

The scrutiny committee dates have been included for the following committees:

- Overview and Scrutiny Management Committee
- Performance Scrutiny Committee – Place and Corporate
- Performance Scrutiny Committee – People

The dates of the Performance Scrutiny Committee – Partnerships will be determined by the Committee when agreeing its work programme for the year at the June / July meeting. This is to allow for anticipated changes to the PSB reporting schedules which will impact on the Committee’s meetings, as a key component of its work programme.

Financial Summary

There are no specific costs in agreeing a schedule of meetings.

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? |
|--|--------------------------------------|---------------------------------------|--|---|
| Not adopting a schedule of meetings so that Work planning and key decision making is ad – hoc and lacks transparency and opportunities for proper consultation | M | L | The report suggests an understandable and structured schedule of meetings that meets the needs of the decision making process but is also flexible enough to meet the needs of the council and its members | Chief Democratic Services Officer |
| Adopting too rigid a schedule will not allow the needs of the council or its members to be taken into account. | M | L | The report offers the opportunity for all committees to arrange meetings to meet the needs of the membership of each committee. | Chief Democratic Services Officer |

Links to Council Policies and Priorities

The schedule of meetings allows work planning to be undertaken in an informed manner allowing the Council’s decision making process to meet statutory and constitutional requirements.

Options Available

- To adopt the Schedule as a guide
- To amend the schedule
- To take no action

Preferred Option and Why

The preferred option is to adopt the schedule of meetings as the basis for arrangements for May 2018 to May 2019.

Comments of Chief Financial Officer

There are no direct financial consequences.

Comments of Monitoring Officer

The proposed programme of meetings and arrangements for their frequency and timing are in accordance with Section 6 of the Local Government (Wales) Measure 2011, which requires the Council to review the traditional timings of meetings and adjust them to reflect the needs and commitments of Councillors, particularly working Members. The arrangements should be reviewed periodically and can be adjusted, if necessary.

Staffing Implications: Comments of Head of People and Business Change

There are no specific issues in this report.

Comments of Cabinet Member

This is a matter for the Council and not an executive function.

Local issues

There are no local issues

Scrutiny Committees

This is a matter for consideration by the Democratic Services Committee.

Equalities Impact Assessment and the Equalities Act 2010

Equalities Impact Assessment is not required

Children and Families (Wales) Measure

No issues in this report relate directly to Children and Young People

Wellbeing of Future Generations (Wales) Act 2015

Not applicable for this report

Crime and Disorder Act 1998

Not applicable for this report

Consultation

As set out above.

Appendix 1: Draft Schedule of Meetings 2018-19

| Date* | Time* | Committee |
|---------------------|------------|--|
| 1 May 2018 | 4pm | Licensing Committee |
| 10 May 2018 | 12pm | Planning Site Sub Committee |
| 15 May 2018 | 5pm | Council (AGM and Mayor Making) |
| 16 May 2018 | 4pm | Cabinet |
| | | |
| 4 June 2018 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 5 June 2018 | 10am | Performance Scrutiny Committee – People |
| | 4pm | Licensing Committee |
| 6 June 2018 | 10am | Planning Committee |
| 13 June 2018 | 2pm | Gwent Crematorium |
| | 4pm | Cabinet |
| 14 June 2018 | 12pm | Planning Site Sub-Committee |
| 20 June 2018 | 5pm | Performance Scrutiny Committee – Partnerships |
| 21 June 2018 | 10am | Overview and Scrutiny Management Committee |
| | 6pm | Community Council Liaison Meeting |
| | | |
| 3 July 2018 | 4pm | Licensing Committee |
| 4 July 2018 | 10am | Planning Committee |
| 9 July 2018 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 10 July 2018 | 10am | Performance Scrutiny Committee – People |
| 12 July 2018 | 12pm | Planning Site Sub-Committee |
| 18 July 2018 | 4pm | Cabinet |
| 19 July 2018 | 5.30pm | Standards Committee |
| 24 July 2018 | 5pm | Council |
| 25 July 2018 | 5pm | Performance Scrutiny Committee – Partnerships |

| Date* | Time* | Committee |
|--------------------------|--------------|--|
| 26 July 2018 | 10am | Overview and Scrutiny Management Committee |
| | 5pm | Democratic Services Committee |
| 7 August 2018 | 4pm | Licensing Committee |
| 8 August 2018 | 10am | Planning Committee |
| 16 August 2018 | 12pm | Planning Site Sub-Committee |
| 3 September 2018 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 4 September 2018 | 10am | Performance Scrutiny Committee – People |
| | 4pm | Licensing Committee |
| 5 September 2018 | 10am | Planning Committee |
| 11 September 2018 | 5pm | Council |
| 12 September 2018 | 2pm | Gwent Crem |
| 13 September 2018 | 12pm | Planning Site Sub-Committee |
| 19 September 2018 | 4pm | Cabinet |
| 20 September 2018 | 10am | Overview and Scrutiny Management Committee |
| | 6pm | Community Council Liaison Meeting |
| 2 October 2018 | 4pm | Licensing Committee |
| 3 October 2018 | 10am | Planning Committee |
| 11 October 2018 | 11am | Planning Site Sub-Committee |
| 17 October 2018 | 4pm | Cabinet |
| 25 October 2018 | 5.30pm | Standards Committee |
| 29 October 2018 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 30 October 2018 | 10am | Performance Scrutiny Committee – People |
| 6 November 2018 | 4pm | Licensing Committee |
| 7 November 2018 | 10am | Planning Committee |
| 8 November 2018 | 10am | Democratic Services Committee |

| Date* | Time* | Committee |
|-------------------------|--------------|--|
| 14 November 2018 | 4pm | Cabinet |
| 15 November 2018 | 10am | Overview and Scrutiny Management Committee |
| | 12pm | Planning Site Sub-Committee |
| 27 November 2018 | 5pm | Council |
| | | |
| 3 December 2018 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 4 December 2018 | 10am | Performance Scrutiny Committee – People |
| | 4pm | Licensing Committee |
| 5 December 2018 | 10am | Planning Committee |
| 12 December 2018 | 2pm | Gwent Crem |
| | 4pm | Cabinet |
| 13 December 2018 | 12pm | Planning Site Sub-Committee |
| | 6pm | Community Council Liaison Meeting |
| | | |
| 8 January 2019 | 4pm | Licensing Committee |
| 9 January 2019 | 10am | Planning Committee |
| 14 January 2019 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 15 January 2019 | 10am | Performance Scrutiny Committee – People |
| 16 January 2019 | 4pm | Cabinet |
| 17 January 2019 | 12pm | Planning Site Sub-Committee |
| 29 January 2019 | 5pm | Council |
| 31 January 2019 | 10am | Overview and Scrutiny Management Committee |
| | | |
| 5 February 2019 | 4pm | Licensing Committee |
| 6 February 2019 | 10am | Planning Committee |
| 13 February 2019 | 4pm | Cabinet |
| 14 February 2019 | 12pm | Planning Site Sub-Committee |
| | 5pm | Democratic Services Committee |
| 18 February 2019 | 4pm | Performance Scrutiny Committee – Place and Corporate |

| Date* | Time* | Committee |
|-------------------------|--------------|--|
| 19 February 2019 | 10am | Performance Scrutiny Committee – People |
| 26 February 2019 | 5pm | Council (Budget) |
| | | |
| 5 March 2019 | 4pm | Licensing Committee |
| 6 March 2019 | 10am | Planning Committee |
| 7 March 2019 | 10am | Overview and Scrutiny Management Committee |
| 13 March 2019 | 4pm | Cabinet |
| 14 March 2019 | 12pm | Planning Site Sub-Committee |
| 21 March 2019 | 6pm | Community Council Liaison Committee |
| | | |
| 2 April 2019 | 4pm | Licensing Committee |
| 3 April 2019 | 10am | Planning Committee |
| 8 April 2019 | 4pm | Performance Scrutiny Committee – Place and Corporate |
| 9 April 2019 | 10am | Performance Scrutiny Committee – People |
| 11 April 2019 | 12pm | Planning Site Sub-Committee |
| 17 April 2019 | 4pm | Cabinet |
| 18 April 2019 | 10am | Overview and Scrutiny Management Committee |
| 30 April 2019 | 5pm | Council |
| | | |
| 1 May 2019 | 10am | Planning Committee |
| 7 May 2019 | 4pm | Licensing Committee |
| 9 May 2019 | 12pm | Planning Site Sub-Committee |
| 14 May 2019 | 5pm | Council (AGM and Mayor Making) |
| 15 May 2019 | 4pm | Cabinet |



Report

Newport City Council

Part 1

Date: 30 January 2018

Subject **Mayoralty**

Purpose To consider a request for an extended deferral of a mayoral term.

Author Democratic Services and Communications Manager

Ward All wards

Summary Newport City Council's method of selecting the Mayor is fair and balanced and determined exclusively on seniority. This means that the longest serving member of the Council who has not served as the Mayor before, will be nominated to serve as Mayor irrespective of which political party he or she represents.

However, from time to time, the prospective incoming Mayor may need to defer his or her election as Mayor for personal reasons. At its meeting on 4 April 2017, Council agreed to formalise the previously informal agreement that an individual could defer their nomination for 12 months. It was agreed that any longer deferral would be a matter for decision by the Council.

Councillor Mark Whitcutt deferred his nomination for the mayoralty last year. Councillor Whitcutt has requested a further deferral, until May 2021, for the reasons outlined in this report.

Proposal **To agree the deferral of Councillor Mark Whitcutt's mayoral nomination until May 2021.**

Action by Democratic Services and Communications Manager

Timetable Immediate

This report was prepared after consultation with:

- Head of Law and Regulation
-

Signed

Background

Newport City Council's method of selecting the Mayor is fair and balanced and determined exclusively on seniority. This means that the longest serving member of the Council who has not served as the Mayor before, will be nominated to serve as Mayor irrespective of which political party he or she represents.

However, from time to time, the prospective incoming Mayor may need to defer his or her election as Mayor for personal reasons. At its meeting on 4 April 2017, Council agreed to formalise the previously informal agreement that an individual could defer their nomination for 12 months. It was agreed that any longer deferral would be a matter for decision by the Council.

Councillor Mark Whitcutt deferred his nomination for the mayoralty last year. Councillor Whitcutt has requested a further deferral, until May 2021, due to the current ill health of his fiancée who would serve alongside him as Mayoress.

Financial Summary

There are no financial implications.

Risks

Not applicable.

Links to Council Policies and Priorities

In this paragraph please set out how your proposals fit in with Council's priorities or plans.

Proposal

To agree the deferral of Councillor Mark Whitcutt's mayoral nomination until May 2021.

Comments of Chief Financial Officer

There are no financial implications.

Comments of Monitoring Officer

Comments of Head of People and Business Change

There are no implications for People and Business Change.

Background Papers

n/a

Dated: 23 January 2018