

# Decision Schedule



## Cabinet

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**TO ALL MEMBERS OF NEWPORT CITY COUNCIL**

**Decision Schedule published on 13/12/2018**

The following decisions were taken on 12/12/2018. They will become effective at Noon on 21/12/2018 with the exception of any particular decision(s), which is (are) the subject of a valid "call-in".

The deadline for submission of a 'Call-in' request form (available from Democratic Services) is 4.00 pm on 20/12/2018. Reports relating to staffing issues/confidential reports are not circulated to all Members of the Council as part of the consultation/call-in processes.

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**CAB 55/18**

### **October Revenue Budget Monitor**

#### **Options Considered/Reasons for Decision**

The report highlighted the current forecast position on the Council's revenue budget and the risks and opportunities that present themselves within the October position.

In summary the report showed:

- service area overspending is at challenging levels and whilst the overall forecast position is showing an underspend, this is mainly due to one-off income and continued underspending in non-service budgets which cannot be guaranteed into the future;
- undelivered savings will cause pressures for future years budget setting if these remain undelivered;
- the vast majority of schools will spend more than their available funding in 2018/19.

The report asked Cabinet to:

- Note the overall budget forecast position including use of all budget contingencies to balance forecast service overspending;
- Agree to instruct all areas of the Council to maintain robust financial management;
- Note the level of undelivered savings within each directorate and the risks associated with this;
- Agree the transfer of £2million into the 'Invest to Save reserve';
- Note the forecast movements in reserves;
- Note the projected and worsening balances of individual schools over the next year.

#### **Decision:**

Cabinet agreed the report.

#### **Consultation**

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

**Implemented By: Cabinet Members; Head of Finance; SLT; CMT who were instructed to confirm plans to:**

- promote and ensure robust forecasting throughout all service areas;
- reduce service area over-spending;
- manage/mitigate those projects that are unable to deliver required Medium Term Financial Projection (MTFP) savings.

**Implementation Timetable: On-going**

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**CAB 56/18**

### **Capital Programme Monitoring and Additions September 2016**

#### **Options Considered/Reasons for Decision**

The report updated Cabinet on the current capital expenditure position as at the end of September 2018 along with the forecast outturn for 2018/19. The position showed an overall variance of £5,650k, this was broken down into slippage of £5,499k slippage into 2019/20 and an underspend of £151k. Cabinet were asked to confirm that the slippage be moved from 2018/19 into the 2019/20 budget.

Capital additions of £2,165k were requested to be added into the overall 5-year programme, which are funded by a variety of borrowing, grants and section 106 monies. The additions are still within the affordability headroom for capital expenditure.

The report also updated Cabinet on the current position regarding capital receipts. To date £148k of capital receipts have been received this year, it is anticipated there will be approximately £1.9m of capital receipts received by the end of 2018/19.

The report was submitted to Cabinet to:

- approve the additions to the Capital Programme requested in the report and approve slippage from 2018/19 budget into 2019/20;
- note the available remaining headroom over the life of the capital programme and the need to prioritise capital expenditure within this envelope to ensure the programme remains affordable;
- note the capital expenditure forecast position as at September 2018;
- note the balance of and approve the allocation of in-year capital receipts.

#### **Decision:**

Cabinet agreed and approved the report.

#### **Consultation**

Heads of Service; Accountancy teams for relevant service areas; Relevant Service Area Project Managers; NORSE Property Services

**Implemented By: Assistant Head of Finance**

## **Implementation Timetable: Immediate**

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### **CAB 57/18**

#### **2019/20 Budget and Medium Term Financial Projections (MTFP)**

##### **Options Considered/Reasons for Decision**

The report set out the 2019/20 budget and medium term projections, which have been developed within a challenging financial environment. Cost pressures affecting the Council finances come from both (i) pay related/other price increases and (ii) increasing demand and associated costs for services. Between both issues, cost pressures are very significant; £12,198k in 2019/20 alone. On the funding side, the Council's draft 'Revenue Support Grant', which funds over 75% of its revenue budget, has, in the draft settlement, increased by only £336k. Therefore, both savings and an increase in local council tax are required to produce a balanced budget for 2019/20 which both modernises and maintains key services as best as possible for the most vulnerable in our communities and implements other key priorities for the Council in its corporate plan ambition to 'Improve People's Lives'.

The draft grant settlement announced a number of specific grants that are significant in value. This is in addition to £550 million 'new' funding for the Welsh Government budget announced in the UK budget in November. Both of these issues will affect the final 'Revenue Support Grant', which will be known on 19 December 2018 as well as bring forward new specific grants for services.

The draft 2019/20 budget proposals were explained and detailed within the report and its associated appendices.

Appendices 5, 7 and 10 were subject to some minor amendments which were agreed at the meeting.

##### **Cabinet agreed the following draft proposals for public consultation:**

- the budget savings proposals in Appendix 2 (summary table) and Appendix 5 (subject to amendments detailed at the meeting) (detailed business cases) of the report;
- the proposed fees and charges in Appendix 7 (subject to amendments detailed at the meeting) of the report;
- the position regarding the proposed school funding for 2019/20 in paragraphs 5.1– 5.4 of the report

##### **Cabinet also noted:**

- The position on developing a balanced budget for 2019/20, acknowledging that the position will be subject to ongoing review and updates;
- The medium term financial projections, assumptions contained within and that projections contain investments required to implement the Corporate Plan promises;

- That the Cabinet Member and Head of Service decisions in Appendix 3 will be implemented with immediate effect, after following the usual Council decision making processes;
- That Fairness and Equality Impact Assessments have been completed for all proposals requiring an assessment.

**Decisions:**

Cabinet agreed the proposals in the report.

**Consultation**

Strategic Directors; Head of Law and Regulation; Head of People and Business Change.

**Implemented By: Strategic Directors and Heads of Service**

**Implementation Timetable: Immediate**

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**CAB 58/18**

**Report on Treasury Management for the period to 30 September 2018**

**Options Considered/Reasons for Decision**

The report informed the Cabinet of treasury activities undertaken during the period to 30 September 2018 and confirmed that all treasury and prudential indicators had been adhered to in the first half of the financial year.

The report stated 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 report stated that all borrowing and investments undertaken during the first half of the year were expected and within the Council's agreed limits.

**Decision:**

Cabinet agreed to note the report on treasury management activities for the period to 30 September 2018 and provide comments to Council.

**Consultation**

Treasury Advisors; Head of Finance

**Implemented By: Head of Finance**

**Implementation Timetable: Immediate**

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**CAB 59/18**

**Corporate Risk Register Update**

**Options Considered/Reasons for Decision**

The report set out the Council's Risk Management Strategy and Risk Register which enables the Council to effectively identify, manage and monitor those risks to ensure that the Council realizes its Plan and ensure service delivery is provided to its communities and citizens.

At the end of quarter two (30<sup>th</sup> September 2018) there were 14 risks identified in the risk register made up of 5 high risks and 9 medium risks. At the end of this quarter Risk 14 (Recruitment of specialist staff) was closed, the risk rating for Risk 6 (Medium Term budget) increased from 16 to 20 due to budget pressures and Risk 2 (Capacity & Capability) reduced from 12 to 9 following the implementation of the Talent Management Framework and Management in Action course. All remaining 11 risk ratings remained the same in the last quarter.

The Risk Register was submitted to the Council's Audit Committee in November 2018 and the Committee comments are included in the report.

The next quarter report will include a re-evaluation of all risks including the risks and mitigations relating to Brexit and a new risk relating to the city centre security and safety.

**Decision:**

Cabinet agreed the contents of the Corporate Risk Register and noted the recommendations raised by the Council's Audit Committee by the Quarter 3 update.

**Consultation**

Audit Committee; Corporate Management Team; Head of Law and Regulation; Head of People and Business Change; Head of Finance

**Implemented By: Chief Executive, Strategic Directors and Heads of Service**

**Implementation Timetable: Immediate**

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**CAB 60/18**

**Wales Audit Office Second Certificate of Compliance**

**Options Considered/Reasons for Decision**

As part of the programme of regulatory activity in accordance with the Local Government Measure 2009, the Auditor General is required to issue two Certificates of Compliance to demonstrate that Council is discharging its duties under the Measure. The first certificate was presented to Cabinet in September 2018 and the second certificate was issued in November 2018 following the publication of the Council's Annual Review of Wellbeing Objectives and Improvement Programme 2017/18 in October 2018.

**Decision:**

Cabinet noted the positive outcome of the Certificate of Compliance in relation to the Council's 2017/18 performance.

**Consultation**

Chief Executive; Strategic Directors; Heads of Service.

**Implemented By: Cabinet**

**Implementation Timetable: Immediate**

**CAB 61/18**

**Work Programme**

**Options Considered/Reasons for Decision**

The Leader of the Council presented the latest update to the work programme.

**Decision:**

Cabinet agreed the updated work programme.

**Consultation**

Chief Officers; Monitoring Officer; Head of Finance; Head of People and Business Change

**Implemented By: Cabinet Office Manager**

**Implementation Timetable: Immediate**

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Signed: .....

Councillor Debbie Wilcox, Chair of the Cabinet

Date:

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