

# Agenda



## Cabinet

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Date: Wednesday, 17 April 2019

Time: 4.00 pm

Venue: Committee Room 1 - Civic Centre

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

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Item	Wards Affected
1 <u>Agenda yn Gymraeg (Pages 3 - 4)</u>	
2 <u>Apologies for Absence</u>	
3 <u>Declarations of Interest</u>	
4 <u>Minutes of the Last Meeting (Pages 5 - 12)</u>	
5 <u>Pay and Reward Policy (Pages 13 - 38)</u>	All Wards
6 <u>Dying to Work Charter (Pages 39 - 44)</u>	All Wards
7 <u>Children's Charter - The Young Person's Promise (Pages 45 - 56)</u>	All Wards
8 <u>Commercialisation Strategy (Pages 57 - 66)</u>	All Wards
9 <u>Work Programme (Pages 67 - 74)</u>	All Wards
10 <u>PSB Summary Document (for information/awareness) (Pages 75 - 78)</u>	All Wards
11 <u>Part 2 Exempt or Confidential Items</u> <b>To consider whether to exclude the Press and Public during consideration of the following item on the grounds that it will involve the likely disclosure of exempt or confidential information as defined in schedule 12A of the Local Government Act 1972 and exclusion outweighs the public interest in disclosure.</b>	
12 <u>City Centre Presentation - IAC Mill Street</u>	All Wards
13 <u>Date of Next Meeting: 22 May 2019 at 4pm in Committee Room 1</u>	

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Date of Issue: Wednesday, 10 April 2019





# Agenda

## Cabinet

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Dyddiad: 17 Ebrill 2019

Amser: 4 y.p

Lleoliad: Ystafell Bwyllgor 1 – Y Ganolfan

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

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### Eitem

Wardiau  
Dan Sylw

#### Rhan 1

1. Agenda yn Gymraeg
2. Ymddiheuriadau dros Absenoldeb
3. Datganiadau o fuddiant
4. Cofnodian y cyfarod a 13 Mawrth 2019
5. Polisi Tâl a Gwobrwyo
6. Siarter Marw i Waith
7. Siarter y Plant - Addewid y Person Ifanc
8. Strategaeth Masnacheiddio
9. Rhaglen Waith
10. Dogfen Gryno DGC (er gwybodaeth / ymwybyddiaeth)
11. Gwahardd y Wasg a'r Cyhoedd

Ystyried a ddylid gwahardd y wasg a'r cyhoedd wrth ystyried yr eitem ganlynol ar y sail y byddai ei ystyried yn cynnwys datgelu gwybodaeth eithriedig fel y'i diffinnir yn Neddf Llywodraeth Leol 1972 ac mae'r eithriad yn gorbwyso budd y cyhoedd yn y datgeliad.

12. Cyflwyniad Canol y Ddinas – IAC Mill Street

Dyddiad y Cyfarfod Nesaf: 22 Mai 2019, 4y.p, Ystafell Bwyllgor 1 – Y Ganolfan

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# Minutes

## Cabinet

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Date: 13 March 2019

Time: 4.00 pm

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

In attendance: Mr W Godfrey; Mr J Harris; Mrs B Owen; Mr G Price; Mr M Rushworth

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### Part 1

#### 1 Apologies for Absence

There were no apologies.

#### 2 Declarations of Interest

Declarations of interest were declared by:

Cllr Jeavons in his capacity as Chair of the EAS Company Board in respect of Agenda Item, 5 EAS Business Plan 2019.

Cllr Mudd in her capacity as Chair of Newport Transport Board in respect of Agenda Item 8, Draft Response to Welsh Government Transport White Paper Consultation.

Cllr Harvey in her capacity as a Member of Newport Transport Board in respect of Agenda Item 8, Draft Response to Welsh Government Transport White Paper Consultation.

#### 3 Minutes

The minutes of the meeting held on 13 February 2019 were confirmed as a true record.

#### 4 EAS Business Plan 2019

The Leader introduced the report the purpose of which is to ensure ongoing quality assurance of the work of the EAS through a variety of mechanisms. Furthermore, Cabinet will ensure that the Business Plan and accompanying Annex Document enables appropriate support and challenge for Newport schools.

The Business Plan clearly addresses the areas for improvement that have been identified within Newport's Education Strategic Plans and which reflect the recommendations made by Estyn in their recent inspection of Education Services. More focused work has been undertaken to improve the outcomes of disadvantaged learners together with a focus on promoting attainment in the wider curriculum which will impact on the Capped Nine measure.

The Leader further confirmed there has been significant involvement of Cabinet Members in the development of the Business Plan through membership of the Regional Joint Executive Group (Cllr Giles) and the EAS Company Board (Cllr Jeavons). The Leader was satisfied to see that the activities to address Newport's strategic priorities, particularly to develop senior and middle leadership in Key Stage four and to improve outcomes for Free School Meal learners, a key aspect of the Administration's drive for improvement, are so clearly represented in the Business Plan.

The Leader was particularly pleased to note that pupil consultation has been an aspect in the development of the Business Plan. The Leader also congratulated Welsh Government for involving 16 and 17 year olds in the next Welsh Government Elections.

The Leader confirmed the Business Plan had also been taken through the Performance Scrutiny Committee and whilst the minutes of that meeting were not available prior to the meeting of Cabinet, the minutes had since been circulated to Cabinet to consider alongside the Business Plan, particularly the following comments and recommendations:

- The Committee's overall conclusion upon the report was that standards and levels of teaching are maintained and progressed without the ability to use school level data;
- Following consideration of the evidence gathered through questioning the Officers upon the Draft EAS Business Plan 2019/20 the impression from the EAS and Education Department is that they have a greater confidence that they know the level schools are at now, using a collaborative approach between the EAS, Education Department and Schools and also the cluster approach to schools. There is also a greater understanding of the journey of the young person from primary to secondary;
- The Committee raised concerns about the transition from Key Stage 2 to Key Stage 3, which they felt was an area for improvement and requested that when completed Professor Walters' research into the difference between teaching in Year 6 and Year 7 be issued to the Committee for information;
- The Committee raised concerns relating to the reduction in staffing in EAS is now 44% smaller than in 2012, which is shifting the reliance for support onto other schools in the network and peers rather than the EAS. Over-reliance upon other schools could impact upon them adversely;
- The Committee recommends that the EAS should have the confidence to push the Welsh Language forward in their Business Plan as a priority in accordance with the Welsh Language Charter.

The Committee formally requests the following from the Education Achievement Service to be circulated to Members of the Committee for information:

- The school categorisation matrix and supporting information;
- The Excellence in Teaching and Leadership Toolkit
- The research into cluster-based working by Manchester University, when completed;
- The EAS to provide an update seminar to the Committee upon the changes and progress made since July 2018, when the Committee received their first update on accountability and curriculum.

The Cabinet Member for Education and Skills was pleased to reiterate the Leader's comments and confirm the EAS Business Plan appropriately reflects the strategic priorities for Newport Education Service and aligns with recent Newport Education Service's Estyn recommendations to improve wider secondary school outcomes and, in particular, outcomes of learners eligible for Free School Meals. The Business Plan has been amended based on feedback provided during consultation with the Regional Joint Executive Group, pupils, head teachers and governors.

The Cabinet Member was also pleased that EAS had identified a further 2% financial efficiency which is being implemented on a regional footing.

The Cabinet Member also spoke about the Learning Network School model that has been implemented, otherwise known as the self-improving school system, is working well to develop and improve schools in need of support. That support is linked to a wide range of areas including improving whole school pedagogy, leadership skills, inclusion practices, attendance strategies or development with a specific curriculum area. Recognition was also given to the LEA for driving forward change.

**Decision:**

Cabinet approved the report.

## **5 School National Categorisation**

The Leader introduced the report and confirmed that categorisation is a national process to determine the level of support a school requires. The strong performance of Newport primary schools shown in the categorisation outcomes aligns with the findings of the Estyn inspections where the rate of excellent judgments is significantly higher in Newport than across Wales as a whole.

Whilst there is still further work to do at secondary level, it was noted that 55% of Newport's secondary schools have been classified as green or yellow and that both Bassaleg School and St Joseph's High school remain classified as green.

The Cabinet Member was delighted to report that primary school categorisation in Newport has continued to demonstrate an improving trend, with 97% of primary schools now categorised as either green or yellow schools. It was particularly pleasing to note that 64% of Newport primary schools have been categorised as green reflecting the highest levels of leadership, provision and governance. The Cabinet Member will strive to ensure that the one primary school categorised as red will continue to receive the appropriate support and challenge required to improve its categorisation.

The Cabinet Member also stated that whilst there is evidenced strong practice at a secondary school level, indicated by 55% of schools being categorised as green or yellow, the bespoke support and challenge for those schools categorised as red or amber remains a priority for Education Services.

Within Curriculum Reform, many of the previous accountability measures have and will continue to disappear. There will be a specific focus on the quality of a school's self-evaluation and single improvement plan paired with some new and emerging key performance indicators. The Cabinet Member will ensure that Officers provide an elected member briefing on these changes over the forthcoming term to ensure that members can continue to fulfil their school governor roles effectively.

Cabinet thanked officers, teachers, parents and pupils for helping to achieve this excellent outcome. Cabinet also emphasised the holistic approach taken by professionals within the education service to help pupils achieve their potential; a great achievement that should be congratulated. The support provided by EAS in particular to one Newport East secondary school categorised as red was also applauded.

**Decision:**

Cabinet agreed the report.

## **6 Corporate Risk Register – Quarter Three**

The Leader presented the report, the purpose of which was to provide Cabinet with the Quarter 3 update on the Corporate Risk Register, which supports the delivery of the Council's Corporate Plan 2017/22.

Cabinet was asked to consider the contents of the report and note the changes to the Corporate Risk Register for quarter 3.

The summary of changes to the Corporate Risk Register were noted:

- At the end of quarter 3 there were 14 corporate risks consisting 6 high risks and 8 medium risks.
- Appendix 1 of the report provides a summary of the risks and movement with the risk scores over the last year.
- Appendix 2 provides a detailed report of the Corporate Risk Register.
- In November 2018 the Council's Audit Committee raised 3 recommendations in relation to the Council's Brexit Risk, Asset Management and partnership work.

Further to these recommendations and as part of the Council's quarterly review the following changes have taken place:

#### **Risk 4 (Brexit)**

- Newport Council has been undertaking ongoing work to prepare for Brexit and used guidance provided by the WLGA and Welsh Government Brexit Task & Finish Group led by the Strategic Director for Place; (The Leader announced during the meeting that Welsh Government has just announced extra funding to help local authorities prepare for Brexit; the Chief Executive also confirmed an announcement has been made by Welsh Government about making money available for local authorities who have ports within their boundary);
- The group has identified key Brexit risks to the Council's services, and actions are in place to monitor the progress of the actions;
- However, the uncertainty over the UK Government's position and an increased probability of a 'No Deal' scenario from 29<sup>th</sup> March has resulted in the risk score increasing to 16.

#### **Risk 8 (Stability of External Suppliers in Social Services)**

- The risk score has increased from 16 to 20 in quarter 3 which is a reflection of Brexit and the impact which it could have to the health and social care sector.
- Actions have been identified by the Council's Brexit Task & Finish Group and there is ongoing dialogue between the health service and social services to ensure the necessary supplies, staffing resources are in place to provide continuity of care to the community.

#### **Risk 9 (Pressure on Infrastructure)**

- This risk has been closed following a review of the Council's Asset Management risk (Risk 13).
- The risk will be monitored through the new Risk '*Maintaining the Highways Network*'

#### **Risk 11 (Information Technology Modernisation) and Risk 12 (Cyber Attack)**

- The actions to manage both of these risks were reviewed in quarter 3 and have been updated to reflect the changes in arrangements with the Council's IT provider Shared Resource Service (SRS) and also to reflect the necessary actions required by the Council to securely store and protect data and comply with the Data Protection Act.

#### **Risk 13 (Maintaining the Highways Network) and Risk 16 (Council Buildings and Assets)**

- A review of the Council's Asset Management risk has resulted in 2 new risks being identified.
- The maintenance of the Council's Highways Network remains one of the high level risks (20) to the Council due to:
  - The level of funding required to maintain and replace the existing infrastructure; and
  - The impact of the removal of the Severn Bridge tolls to the highways network
- Council's Buildings and Assets risk has been scored as 12 which acknowledges the existing risk management processes in place to manage the Council's assets but also the required funding needed to maintain and improve all of the Council's assets.

#### **Risk 15 (Newport City Centre Security and Safety)**

- This is a new risk that has been identified and included in the Council's risk register.
- As more major events are attracted to Newport City Centre such as the Tour of Britain and the British Transplant Games and the continued regeneration of Newport City Centre it is recognised that this poses additional risk to the security and safety of citizens, businesses and infrastructure.



- This risk has been scored at 15 which reflects the impact which any threat to the city centre and the ongoing work required to improve security and safety by Newport Council and partner organisations such as Gwent Police.

**Decision:**

Cabinet agreed the report and the changes made to the Risk Register.

**7 Draft response to Welsh Government Transport White Paper Consultation**

The Leader introduced the report which confirms the Welsh Government is considering changes to the planning and delivery of Bus and Taxi/Private Hire Vehicles (PHV). The objective of the White Paper consultation is to address declining use of bus services and contribute to climate change/local air quality agenda.

The consultation covers the following areas:

- Planning and delivery of local bus services
- Concessionary travel eligibility (bus pass)
- Supply of information by public bodies (including Local Authorities)
- Creation of Joint Transport Authorities
- Taxis and Private Hire Vehicles (PHV) provision

The report covers two Cabinet Member portfolios and the Authority has varying degrees of responsibility in each of these areas; therefore, changes to current arrangements could have significant implications for staff resources and Welsh Government funding distribution.

The White Paper proposes the creation of Joint Transport Authorities (JTA), including revisions to existing legislation that would include the representation of Welsh Ministers on any JTA and/or the intervention powers for an underperforming JTA.

The JTA could assume responsibilities for some/all local transport functions currently undertaken by the authority. The scope of functions are to be determined, including the creation of a national JTA to undertake specific functions, i.e., standardised ticketing. This is not currently an option under existing legislation.

Issues to note:

- Any transfer of functions would have resource/staffing implications for local authorities;
- Proposal includes legislative change to provide local authorities with additional options to procure bus services;
- Consultation does not include any indication of future funding streams to support the proposed options;
- Proposal includes phased increase to the age of eligibility for concessionary bus travel to reflect female retirement age. There would be no loss of entitlement for existing pass holders.
- Proposals include revision to taxi/PHV licencing arrangements including:
  - The establishment of common quality standards;
  - Enforcement powers extended to allow authorities to take action against any licensed vehicle operating in their area;
  - Establishing a national driver database for licence/disclosure and barring service checks;
  - Transfer of licensing functions to a JTA.

Cabinet noted the consultation period closes on the 27<sup>th</sup> March 2019.

Cabinet was asked to give agreement to the proposed response.

**Decision:**

Cabinet agreed the proposed response.

**8 Public Services Ombudsman for Wales**

The Leader presented the annual report from The Public Services Ombudsman for Wales (PSOW) and confirmed the PSOW and his team have the powers to look into complaints about public services and independent care providers in Wales, as well as complaints against members of local authorities relating to code of conduct matters.

The report set out a summary of the PSOW's team's activity for the 2017/18 period with some overview for Wales and more specific information for Newport City Council.

The Leader stressed that the Council operates in an environment of intense scrutiny and ever growing expectation of the activities of local authorities and in that context the Leader was pleased to note there has been a decrease in complaints about local authorities. For Newport it was also pleasing to note that the number of complaints is as expected and that only a small percentage actually resulted in action by the Ombudsman. This shows that overall the Council has an effective complaint's process and services are being delivered in a fair and effective way.

It was acknowledged there have been some issues around the length of time it has sometimes taken to engage with the Ombudsman's office. However, additional resources devoted to this important activity are now in place and it is expected this part of the activity will improve.

The Chief Executive gave an explanation of the complaint received against the average expected for the authority.

Cabinet was asked to note the report and its contents.

**Decision:**

Cabinet noted the report.

**9 Work Programme**

The Leader presented the Cabinet Work Programme.

**Decision:**

To agree the proposed programme.

**10 Exclusion of the Press and Public**

To consider whether to exclude the press and public during consideration of the following item on the grounds that its consideration involved the likely disclosure of exempt information as defined in the Local Government Act 1972 and the exemption outweighs the public interest in disclosure.

**11 City Centre Presentation – Chartist Tower**

Officers provided Cabinet with a presentation on Chartist Tower.

Officers recapped on the timeline associated with this project from the initial interest from the developer in 2017 to the present date.

Officers confirmed:

The proposal is for a hotel development with lower floor retail and Grade A office accommodation and roof top restaurant. A 4-star internationally recognised hotel brand has agreed Heads of Terms.

The developer is South Wales based and has been established since 1995 with a growing presence in the local market, its portfolio includes a mix of vacant commercial stock primed for redevelopment. Developments have been achieved in Bristol, Swansea, Cardiff and other parts of South Wales.

Demand for an additional 100,000 room nights in Newport per year on the opening of the International Convention Centre which is due to open mid-2019.

This project will bring economic benefits to Newport including; jobs, new enterprises, new commercial units, investment, increase in revenue to the local supply chain, increase in Grade A office space as well as the re-use of a key building within the City Centre, public/private partnership working, development of Newport's Tourism sector, growth in the night time economy.

Welsh Government had approved £650K TRI grant funding for the scheme and £600k loan funding. Acceptance of the grant funding does not require formal Cabinet approval as no match funding is required, but Cabinet were asked to agree to the Council utilising the loan funding because of the repayment obligations. The Head of Finance and the Head of Law and Regulation confirmed that the proposed grant and loan funding was in accordance with the Council's statutory powers and there were no state aid issues. The funding would be provided on commercial terms having regard to the level of risk and the Council's "profit-share" rental agreement under the head lease. The loan would be secured as a charge against the head-lease, albeit that it would rank behind existing bank loans, and there was further security through the rent payment obligations in the head-lease. Drawdown of the loan funding would be conditional upon the developers entering into a management agreement with the hotel operator.

In order to take the project forward Cabinet was asked to:

- i) Approve the non-repayable Council grant of £350K;
- ii) Approve the offer of repayable loan funding to the developers of £600K, to be secured as a third charge against the head-lease, conditional upon agreement with the hotel operator;
- iii) Approve the grant to be paid out of the current year's under-spend and amount set aside to cover the loan repayment;
- iv) Agree further deferred rental period for four years;
- v) Authorise officers to agree the final terms and conditions of the grant and loan and to finalise the legal documentation.

**Decision:**

Cabinet unanimously approved the proposal.

**12 Date of Next Meeting**

The next meeting will take place on Wednesday 17 April 2019, at 4.00 pm in Committee Room 1, at the Civic Centre, Newport

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# Report

## Cabinet

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### Part 1

Date: 17 April 2019

Item No: 5

**Subject** Pay and Reward Policy 2019/20

**Purpose** Cabinet to consider the updated Pay and Reward Policy for 2019/20

**Author** Rhys Cornwall, Head of People and Business Change

**Ward** All

**Summary** The Localism Act 2011 required English and Welsh local authorities to produce a “pay policy statement”, initially for the financial year 2012-13, and then on an annual basis. The legislation outlined a number of statutory requirements which must be included in any pay policy statement.

The Pay and Reward Policy has been updated to reflect the proposed NJC pay and grading structure from 2019/20 as a result of the national pay award implications. No other changes have been made to the policy this year.

**Proposal** Cabinet to approve the updated Pay and Reward Policy in order to meet the statutory requirement for a pay policy statement to be approved and published by Council on an annual basis.

**Action by** Chief Executive/Head of People and Business Change

**Timetable** Immediate

This report was prepared after consultation with:

- Chief Executive
- Head of Law and Regulation
- Head of Finance
- HR&OD Manager

**Signed**

## Background

The Localism Act 2011 required English and Welsh local authorities to produce a 'pay policy statement,' initially for the 2012-13 financial year, and then on an annual basis. Items which must be included in the statutory pay policy statement are as follows:

- A local authority's policy on the level and elements of remuneration for each chief officer
- A local authority's policy on the remuneration of its lowest-paid employees (together with its definition of 'lowest-paid employees' and its reasons for adopting that definition)
- A local authority's policy on the relationship between the remuneration of its chief officers and other officers
- A local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additional to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

The Act also specifies that the pay policy statement:

- must be approved on an annual basis formally by the full Council meeting (the responsibility cannot be delegated to Cabinet or a sub-committee)
- can be amended in-year
- must be published on the authority's website (and in any other way the authority chooses)
- must be complied with when the authority sets the terms and conditions for a chief officer.

The Act requires an authority to have regard to any statutory guidance on the subject issued or approved by the Secretary of State or Welsh Ministers. The Welsh Government issued statutory guidance on "*Pay Accountability in Local Government in Wales*" in March 2012 and the Public Services Staff Commission published further supplementary guidance in December 2016.

## Pay and Reward Policy

The Council recognises that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public; but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

The Council's Pay and Reward Policy, initially approved in March 2012, was developed to meet the statutory requirements contained in the Localism Act 2011. However, in the spirit of transparency, the Council took the opportunity to take a wider view and include information relating to school based employees. Local authority schools are specifically excluded from the Localism Act's statutory requirements. However, as employees in community maintained and voluntary controlled schools are employees of the Council, reference has been made to school based employees within the Pay and Reward Policy. It is recognised that the pay decisions for these employees are delegated to school Governing Bodies by legislation and that each school is responsible for publishing its own Pay Policy. For the avoidance of doubt, the relevant school Pay Policies are the definitive version of policy for school based staff engaged by the governing body of the respective school.

Subject to approval by full Council, to meet the requirements of the Localism Act, this Pay and Reward Policy will be published on the Council's Website. In addition, in accordance with the provisions of Accounts and Audit (Wales) Regulations 2005, the Council's Annual Statement of Accounts will include a note setting out salary and remuneration information for Council posts where the full time equivalent salary is at least £60,000.

## Updates since April 2018

The national employers agreed a pay award with the trade unions for the 2019/20 financial year, the result of which requires a realignment of the existing pay structure to match the national spinal column points, which is included in Appendix 1 of the proposed policy. There is no detrimental impact on the workforce from this alignment of SCP points and an Equality Impact Assessment has been conducted which drew no significant issues. Our local and regional trade union representatives have been fully consulted and engaged in the alignment of the pay scales, and have agreed the matching process to national pay points.

## The Gender Pay Gap

In accordance with the Equality Act (Gender Pay Gap Information) Regulations 2017, the Council is required to publish its gender pay gap information on its website and upload them onto a national Government website by 31<sup>st</sup> March 2019. The results from the analysis are as follows:

We have 2,558 relevant employees (excluding schools) for the purpose of establishing the gender pay gap, of which 72.5% are women and 27.5% are men. This has altered by 5% since the 2017 data, where 67% of our corporate workforce were women and 33% were men, and has therefore had an impact on our gender pay gap. We have seen a 27% increase in the number of women recruited who are earning less than £11 per hour, but there is a 40% decrease in the number of men earning the same amount. The consequence of this variation is an increase in the gender pay gap compared to 2017.

### Our Mean pay gap

- Our average hourly rate for women is £12.91
- Our average hourly rate for men is £13.56
- Our mean pay gap between men and women is 4%. This means that, on average, a woman's hourly rate of pay is 4% lower than a man's.

### Our median pay gap

- Our median hourly rate for women is £11.38
- Our median hourly rate for men is £11.74
- Our median pay gap between men and women is 3%. This means that the median (or midpoint) hourly rate for a woman is 3% lower than a man's.

### Our bonus pay gap

- Following the implementation of Single Status Pay and Grading Arrangements in 2015, the Council no longer makes any bonus payments to either men or women.

### Our pay quartiles

We must report the percentage of men and women in each pay quartile. Quartiles are created by listing the rates of pay for all employees from lowest to highest, before splitting that list into four equal sized groups and calculating the percentage of men and women in each quartile.

	FEMALE	MALE	TOTAL
LOWER	78%	22%	100%
LOWER MIDDLE	69%	31%	100%
UPPER MIDDLE	72%	27%	100%
UPPER	70%	30%	100%

## Pay Relativities within the Council

The relationship between the rate of pay for the lowest paid Council employee and that of the Council's Chief Officers is determined by the processes used for determining pay and grading structures set out in the Pay and Reward Policy. The Council's lowest paid employee is paid on spinal column point 1 of the NJC for Local Government Workers. As at 1 April 2019, should the national employers' proposed pay award be acceptable to the trade unions, this will be £9.00 per hour (£17,316 per annum) based on a full-time equivalent of 37 hours per week.

As part of its commitment to pay transparency, and following the recommendations of the Hutton Review, the Council will publish information on pay relativities on an annual basis in the Pay and Reward Policy. This information for **2019-20** is as follows:

Multiple of Salary	Ratio
<ul style="list-style-type: none"> <li>the multiple between the annual salary of the lowest paid Council employee and the Chief Executive (full-time equivalent basis) as a ratio</li> </ul>	1 : 8:5
<ul style="list-style-type: none"> <li>the multiple between the annual salary of the lowest paid Council employee and the average Chief Officer (full-time equivalent basis) as a ratio</li> </ul>	1 : 5:3
<ul style="list-style-type: none"> <li>the multiple between median earning of Council employees and the Chief Executive (full-time equivalent basis) as a ratio</li> </ul>	1 : 6:7
<ul style="list-style-type: none"> <li>the multiple between median earning of Council employees and the average Chief Officer (full-time equivalent basis) as a ratio</li> </ul>	1 : 4:2

Note:

- i) Column A provides the pay ratio as per the requirement of the Localism Act 2011
- ii) These figures exclude remuneration for appointments within organisations for which the Council provides a payroll service but is not the employer.
- iii) These figures exclude remuneration for joint appointments where the Council is not the employer

## Financial Summary

There are no financial implications contained in the updated *Pay and Reward Policy*, as the policy confirms the current pay and reward arrangements in place in the Council.

## 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?
Failure to comply with statutory requirement to approve and publish a "pay policy statement"	H	L	Produced an updated <i>Pay and Reward Policy</i> which meets the statutory requirements and which is recommended for	Chief Executive / Head of People and Business Change



on an annual basis			approval by Council	
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\* Taking account of proposed mitigation measures

### **Links to Council Policies and Priorities**

The Pay and Reward Policy forms a key part of the Council’s People and Culture Strategy. The strategy underpins the Council’s Corporate Plan and strategic objectives - how employees are rewarded for their contribution is directly linked to the delivery of the council’s key aims. The updated Pay and Reward Policy will ensure, when approved, that the Council complies with the statutory requirement to publish a “pay policy statement” on an annual basis.

### **Options Available**

The options available are as follows:

1. For Cabinet to agree to recommend the updated Pay and Reward Policy to full Council for approval.
2. For Cabinet not to agree to recommend the updated Pay and Reward Policy to full Council for approval.

### **Preferred Option and Why**

For the Cabinet to agree to recommend the updated Pay and Reward Policy to full Council for approval in order to meet the statutory requirements for a ‘pay policy statement’ to be published on an annual basis.

### **Comments of Chief Financial Officer**

The Council’s Budget is based on the overall pay structures in place, as outlined in the updated *Pay and Reward Policy*. There are therefore no direct financial implications contained in the report.

### **Comments of Monitoring Officer**

The Council has a statutory duty under Section 38 of the Localism Act 2011 to approve and publish its Pay Policy on an annual basis. The proposed Pay and Reward Policy has been prepared in accordance with the legislation and Welsh Government Guidance. The policy has to be approved by full Council on an annual basis, in order to comply with the statutory requirements. Therefore, Cabinet will need to make a recommended to full Council to approve and adopt the final Pay and Reward Policy. This revised Policy has been updated to take account of the proposed NJC pay and grading structure for 2019/20 as a result of the implementation of the national pay award and information on the Council’s gender pay gap. Once adopted, the Pay and Reward Policy will need to be published and the Annual Statement of Accounts will also need to include details of the remuneration of individual Chief Officers, to comply with the requirements of the Audit (Wales) Regulations.

### **Staffing Implications: Comments of Head of People and Business Change**

Author of report, comments contained within main body of the report.

## **Comments of Cabinet Member**

Council previously approved the Pay and Reward Policy in April 2018. The updated policy reflects the current position in relation to pay arrangements for employees of the Council, including changes approved during the past 12 months. I have agreed that the updated policy be presented to the Cabinet for consideration, and subject to Cabinet's approval, be recommended to full Council.

### **Local issues**

N/A

### **Scrutiny Committees**

N/A

### **Equalities Impact Assessment**

N/A

### **Children and Families (Wales) Measure**

N/A

## **Wellbeing of Future Generations (Wales) Act 2015**

The Pay and Reward Policy contributes to the well-being goals for a more equal Wales and a prosperous Wales. The policy demonstrates how employees are rewarded for their contribution to the organisations local and national priorities, and will ensure the Council complies with the statutory requirement to publish a "pay policy statement" on an annual basis.

The five ways of working have been applied when considering this proposal. The Council is required to publish a Pay Policy Statement each financial year and this updated policy meets this requirement. This policy provides a framework for decision making on pay and allows the Council to demonstrate its key approaches to pay and reward for employees, ensuring resources are managed effectively both in the short and longer term.

This updated policy outlines the Council's approach to pay and reward of its employees in the interests of openness and transparency, and is in place to prevent problems and issues occurring with any decisions made in relation to public sector pay. The policy also forms a key part of the Council's People and Culture Strategy. The strategy underpins the Council's Corporate Plan and strategic objectives - how employees are rewarded for their contribution is directly linked to the delivery of the council's key aims and objectives.

As part of this policy, the Council's intention is to continue to develop collaborative working on a planned and strategic basis with local authority partners and other public and third sector organisations. In addition, the policy provides the public with the Council's policy on all aspects of pay and reward, including senior posts and the lowest paid posts, explaining the relationship between remuneration for senior post holders and other groups.

### **Crime and Disorder Act 1998**

N/A

### **Consultation**

As outlined within the report.

### **Background Papers**

**Dated:**

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## Introduction

Newport City Council recognises the importance of remuneration decisions that are appropriate, transparent, provide value for money and reward employees fairly for the work that they perform. This policy statement sets out the Council's key approaches to pay and reward for our employees.

## Aims of the Policy

To outline Newport City Council's approach to the pay and reward of its employees in the interests of openness and transparency.

## Scope

To provide the public with the Council's policy on all aspects of pay and reward, including senior posts and the lowest paid posts, explaining the relationship between remuneration for senior post holders and other groups.

## To be read in conjunction with

Annual Statement of Accounts 2017/18  
Job Evaluation Scheme  
School Teachers' Pay and Conditions Document/School Pay Policies  
Market Supplement Guidance  
Early Retirement and Redundancy Payments Guidance  
Out of Hours/Additional Duties/Detriment Schemes  
Travel and Subsistence Policy

## 1. Principles

This is Newport City Council's 2018/19 annual Pay and Reward Policy for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2020.

This Pay and Reward Policy provides the framework for decision making on pay and in particular decision making on senior pay.

The Council recognises that there is public interest in public sector pay and therefore the importance of being transparent in its decisions relating to pay. It is recognised that senior posts in the Council are accountable for delivering the current strategic objectives of the organisation, including demonstrating value for money and the role that senior leadership plays in the quality of service delivery. The context of managing resources effectively and appropriately is of importance to the Council and transparency on pay is therefore appropriate to publish for public scrutiny.

In accordance with the requirements of Section 38 of the Localism Act 2011 and of the Revised Guidance issued by the Welsh Government in December 2015, Newport City Council is required to publish a Pay Policy Statement for each financial year detailing:

- a) The Council's definition of senior posts
- b) The Council's definition of lowest paid employees
- c) Reasons for adopting these definitions
- d) The relationship between the remuneration of senior posts and that of the lowest paid employees

In addition to this Pay and Reward Policy, remuneration reporting is included in the Council's Annual Statement of Accounts. The 2017/18 information can be found [here](#)

The Council's senior posts are defined as:

Chief Executive  
Strategic Director – People  
Strategic Director – Place  
Chief Education Officer  
Head of Finance (Section 151 Officer)  
Head of Law and Regulation (Monitoring Officer)  
Head of People and Business Change  
Head of Children and Young People's Services  
Head of Adult and Community Services  
Head of Regeneration, Investment and Housing  
Head of City Services

## **2.0 Legislative Framework**

### **2.1 General**

In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act (2010), Part Time Employment (Prevention of Less Favourable Treatment) Regulations (2000), the Agency Workers Regulations (2010), Transfer of Undertakings (Protection of Employment) Regulations (2006) where relevant, and the National Minimum Wage Act (1998).

With regard to Equal Pay requirements contained within the Equality Act, the Council aims to ensure that there is no pay discrimination within its pay structures and that pay differentials can be objectively justified through the use of equality proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

### **2.1 Pay in schools**

Employees who are appointed and directly managed by Head teachers and/or Governing Bodies are not required to be included within the scope of Pay Policy Statements as the provisions in the Localism Act (2011) only apply to employees appointed and directly managed by the Council. This reflects the requirements contained within the Staffing of Maintained Schools (Wales) Regulations (2006) where schools based staff are considered to be employees of the Council, yet the appointment and management of this staff group is discharged to the Governing Body.

In the interests of consistency and transparency the pay related data set out within this Pay Policy Statement includes information relating to those who are appointed and managed by Head teachers/Governing Bodies. Schools are required to develop their own Pay Policies.

## **3.0 Responsibility for Pay Decisions**

### **3.1 Responsibility for the Approval of the Pay and Reward Policy**

The Council's Pay and Reward Policy incorporates the statutory provisions of the Localism Act (2011) in relation to pay policy statements. Approval of this statement and of any amendments to it is therefore a matter for full Council, and cannot be delegated to any sub-committee.

### **3.2 Responsibility for Council Pay Structure and Employment Terms and Conditions**

As per the Council's constitution, overall responsibility for Council policy in relation to pay and grading structures, and employment terms and conditions rests with the Cabinet, with specific policy decisions delegated to the Cabinet Member for Community and Resources.

The exception to this is the matter of senior pay structures, where any proposed changes are a matter for full Council.

### **3.3 Delegated Authority**

Managers should be aware of their delegated levels of authority. Delegations for decisions on pay cannot be further delegated below these levels:

<b>Decision</b>	<b>Delegated level of Authority</b>
Salary packages above £100,000 per year	Full Council
Starting pay above grade minimum for the Chief Executive, Strategic Directors and Heads of Service	Appointments Committee
Market Supplement for the Chief Executive, Strategic Directors and Heads of Service	Appointments Committee
Performance related pay increases for the Chief Executive	Leader and Deputy Leader of the Council in consultation with the Head of People and Business Change
Performance related pay increases for the Strategic Directors	Leader, Deputy Leader and Chief Executive in consultation with the Head of People and Business Change
Pay progression through Head of Service grade	Strategic Directors in consultation with the Head of People and Business Change
Starting pay above grade minimum for all grades below Head of Service	Head of Service in consultation with Human Resources
Market Supplement for posts below Head of Service	Head of Service in consultation with the Head of Law and Regulation, Head of Finance and Head of People and Business Change
Pay progression through all grades below Head of Service	Head of Service in consultation with Human Resources
Additional duties payments below Head of Service	Head of Service in consultation with Human Resources
Individual grading including re-grading applications	Head of Service with Human Resources*
Salary detriment	Head of Service*
Early release of pension	Head of Service*
Planned overtime payments	Head of Service

***Decisions marked with \* are subject to a formal business case and consultation with either Human Resources in the case of re-grading requests, or the Head of Law and Regulation, Head of Finance and Head of People and Business Change in the case of salary detriment or early release of pension. Any dispute will be determined by a Strategic Director.***

The Head of People and Business Change is responsible for ensuring that the Council’s Job Evaluation Scheme (where applicable) and pay processes have been applied. Human Resources is responsible for overseeing any decision on pay to ensure that they are made in accordance with the delegated authority levels and are compliant with the terms of the Pay and Reward Policy.

**4.0 Terms and Conditions of Service**

The Council’s employees are employed on a number of different terms and conditions dependent on the role that they fulfil:

<b>Employee Group</b>	<b>Terms and Conditions</b>
Chief Executive	Joint National Council for Chief Executives terms and conditions except for pay which is determined by a local performance related pay arrangement
Strategic Directors and Heads of Service	Joint National Council for Chief Officers’ terms and conditions. Strategic Director pay is determined by a local performance related pay arrangement, Head of Service pay is subject to annual incremental movement through the grade
School Teachers	Head, Deputy, Assistant Head teachers and all other classroom teachers employed directly by the Council (as opposed to those employed by the Governing Body of a voluntary aided school) are paid in accordance with the School Teachers’ Pay and Conditions Document (STPCD).
School Improvement Professionals and Education Psychologists	The Soulbury Committee determine pay arrangements and National Joint Council for Local Government Service Employees terms and conditions apply for all other contractual entitlements
All other employees (including schools based staff other than teachers)	National Joint Council for Local Government Service Employees apply, supplemented by the Newport City Council Single Status Pay and Grading arrangements

**5.0 National pay bargaining arrangements**

The Council uses nationally negotiated pay spines for the relevant groups of employees as the basis for its local pay structures. The Council remains committed to adherence with national pay bargaining in respect of the national pay spines and any increases negotiated in the pay spine.

Employees on all terms and conditions will receive a pay award where this is negotiated nationally by the relevant negotiating committee.

**6.0 Process for grading posts**

The Council utilises the Newport City Council Job Evaluation scheme as the basis for its local grading structure. This determines the salaries of the large majority of employees including non-teaching staff in schools. The pay and grading structure was achieved through a collective agreement with the recognised trade unions and implemented with effect from 1<sup>st</sup> April 2015.

The pay grade of posts on Soulbury and Teachers’ pay will be determined in accordance with the national and local agreed terms.



The pay grade of JNC posts is through the Hay job evaluation scheme.

## 7.0 Senior Management Remuneration

For the purpose of the Council's Pay and Reward Policy, senior management means 'Chief Officers' as defined within Section 43 of the Localism Act (2011). The posts within the Council's structure identified by the statutory definition are set out below:

- Chief Executive
- Strategic Director – People
- Strategic Director – Place
- Chief Education Officer
- Head of Children and Young People's Services
- Head of Adult and Community Services
- Head of Law and Regulation
- Head of Finance
- Head of People and Business Change
- Head of Regeneration, Investment and Housing
- Head of City Services

The current salary ranges for these posts can be found in Appendix B.

## 7.1 Recruitment and appointment of Chief Officers

The Council's policy and procedures with regard to recruitment of chief officers is set out within the Officer Employment Procedure Rules as set out in Part 4 of the Council's Constitution. When recruiting to all posts the Council will take full and proper account of its own Recruitment Policy and Procedures, Job Security and Diversity Policies. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Where the Council remains unable to recruit chief officers under a contract of employment, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider and utilise engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. The Council does not currently have any chief officers engaged under such arrangements. Any substantive chief officer appointment made under a contract for service is subject to the approval of full Council in accordance with the provisions of the Council's Constitution.

## 7.2 The role of the Chief Executive

The Chief Executive is the senior officer who leads and takes responsibility of the organisation. The organisation has a turnover of £401m and is responsible for a wide range of services employing some 6000 staff.

The role of the Chief Executive is a full time and permanent appointment. Post holders are selected on merit, against objective criteria, following public advertisement. They are appointed by the Council's Appointments Committee.

As head of the paid service, the Chief Executive works closely with elected members to deliver Newport's corporate plan.

The Chief Executive routinely works evenings as well as the standard Monday to Friday business week. The Chief Executive also heads the 'on call' arrangements particularly to cover emergency planning requirements.

## 7.3 Chief Executive Pay

The salary for the Chief Executive is set out in Appendix B, and the Chief Executive may receive additional payments for any of the elections where he is the Returning Officer.

Details of the Chief Executive's pay, including any additional payments are published on page 109 of the annual accounts of the Council and can be accessed [here](#)

The Chief Executive is a member of the LGPS pension scheme and details are disclosed in the remuneration report. There have been no increases or enhancements to the pension outside of standard arrangements.

The notice period for the role is 3 months.

## 7.4 Proposals to change the Chief Executive's salary

Where the Council proposes to change the Chief Executive's salary level and the proposed change is not commensurate with a change to the salaries of the authority's other employees, it will consult the Independent Remuneration Panel for Wales (IRPW) about the proposed change. The Council will provide the IRPW with all relevant information regarding its proposed change, and will have due regard to any IRPW recommendations on the proposals.

The Council is required to declare whether or not any referrals have been made to the IRPW. To date there have been no referrals made to the IRPW regarding any aspects of the Chief Executive's salary in the Council's Pay and Reward Policy.

The Council will have regard to any recommendation received from the IRPW when performing its functions under section 38 or 39 of the Localism Act 2011. This may include any recommendations from the IRPW in relation to a policy within the Council's Pay and Reward Policy regarding severance packages.

## 7.5 Joint Appointments

The Council's intention is to continue to develop collaborative working on a planned and strategic basis with local authority partners and also with other public sector organisations. Therefore, when senior vacancies arise, including at Chief Officer level, the views of elected Members will be sought as to whether consideration of a joint appointment would be appropriate. If Members are supportive, discussions will take place with partners and neighbouring authorities to determine whether the posts can be reconfigured as a joint appointment, instead of automatically being filled on a like for like basis.

If a decision is made to progress with a joint appointment, both parties will need to reach agreement on the salary and overall remuneration package for the post, and the proportion to this which each party will pay. Where the Council will be the employer of the joint appointee, the determination of salary and other pay arrangements will be in accordance with this Pay and Reward Policy.

Any joint appointments at Chief Officer level will be made in accordance with the provisions of the Officer Employment Procedure Rules contained in the Council's Constitution.

## 8. Pay Relativities within the Council

The relationship between the rate of pay for the lowest paid Council employee and that of the Council's Chief Officers is determined by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy. A copy of the Council's grades for NJC posts is published on the external webpage [here](#).

The 'lowest paid' persons employed under a contract of employment with the Council are employed at spinal column point 8 through to 10 of the National Joint Council pay spine for Local Government

Services.

As at 1 April 2019, the NJC pay spine for Local Government Services employees was revised and the grade boundaries were reset. The lowest spinal column point is Scp1 and equates to the Foundation Living Wage rate of £9.00 per hour.

The Council employs Apprentices (and other trainees) who are not included within the definite of 'lowest paid employees' as they are not employed under Contracts of Employment.

The relationship between the rate of pay for the "lowest paid" employees and the Council's Chief Officers is regulated by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy.

The salary utilised for the Chief Officer calculations of all the pay multiple data is £140,091.

As part of its commitment to pay transparency, and following the recommendations of the Hutton "Review of Fair Pay in the Public Sector" (2011), the Council will publish information on pay relativities on an annual basis. The information for 2018-2019 is as follows:

Multiple of Salary	Ratio
<ul style="list-style-type: none"> <li>the multiple between the annual salary of the lowest paid Council employee and the Chief Executive (full-time equivalent basis) as a ratio</li> </ul>	1 : 8:5
<ul style="list-style-type: none"> <li>the multiple between the annual salary of the lowest paid Council employee and the average Chief Officer (full-time equivalent basis) as a ratio</li> </ul>	1 : 5:3
<ul style="list-style-type: none"> <li>the multiple between median earning of Council employees and the Chief Executive (full-time equivalent basis) as a ratio</li> </ul>	1 : 6:7
<ul style="list-style-type: none"> <li>the multiple between median earning of Council employees and the average Chief Officer (full-time equivalent basis) as a ratio</li> </ul>	1 : 4:2

Note:

- i) Column A provides the pay ratio as per the requirement of the Localism Act 2011
- ii) These figures exclude remuneration for appointments within organisations for which the Council provides a payroll service but is not the employer.
- iii) These figures exclude remuneration for joint appointments where the Council is not the employer

In relation to the gender pay gap, the Council's Gender Pay Gap 2018 report outlines the gender pay gap between men and women in the Council. As at April 2018 the Council had a mean gender pay gap of 4% and a median gender pay gap of 3%. There is no bonus paid to any employee, therefore no bonus gender pay gap exists, and our quartiles are as follows:

	FEMALE	MALE	TOTAL
LOWER	78%	22%	100%
LOWER MIDDLE	69%	31%	100%
UPPER MIDDLE	72%	27%	100%
UPPER	70%	30%	100%

## 9. Starting Pay

New appointments will normally be made at the minimum of the relevant grade for the post. Under exceptional circumstances, and where there are compelling and evidenced reasons to support the decision, a new employee may be appointed to a higher increment. Exceptional reasons may include the need to secure the best candidate and / or having regard to the knowledge, skills and competencies of the individual as well as their current and previous salary levels.

All requests to appoint above the minimum of the grade must be agreed by the relevant Head of Service, in consultation with their HR Business Partner before any salary offer is made to the candidate. In the case of Chief Officers, all requests to appoint above the minimum of the grade must be agreed by the relevant Appointments Committee of the Council.

In addition, all salary packages for Chief Officers with a value of £100,000 or more must be approved by the full Council. The salary package will include salary, performance related pay, fees or allowances and any benefits in kind.

## 10. Annual Pay Progression arrangements

Pay structures for the all employee groups are attached at the appendices as follows:

Appendix A: NCC NJC Salary Structure with Effect from 1 April 2019 (Applicable to National Joint Council for Local Government Employees)

Appendix B: Chief Officer Pay Scales

Appendix C: Soulbury Pay Scale

Appendix D: School Teachers' (Qualified and Unqualified) Pay Ranges and Leadership Group Pay Spines

The pay progression arrangements for the relevant employee groups are outlined below.

### 10.1 NJC for Local Government Employees

Increments will be paid on 1st April each year until the maximum of the level is reached subject to the following:

(i) In exceptional circumstances, increments may be accelerated within the grade at the discretion of the authority on the grounds of special merit or ability, subject to the maximum of the level not being exceeded in accordance with Head of Service delegation. This will only occur after careful consideration of equal pay requirements and consultation with Human Resources.

(ii) Employees with less than six months' service in the grade by 1st April shall be granted their first increment six months from the actual date of their appointment, promotion or re-grading. All future increments will then be paid on 1 April.

NB: Any action under (i) or (ii) shall not interrupt the payment of subsequent increments on 1 April.

### 10.2 Chief Officers – Chief Executive and Strategic Directors

The Chief Executive and Strategic Directors will not be paid any annual increment. Any progression within these salary ranges will be based solely on performance in accordance with the agreed performance related pay arrangements.

### 10.3 Chief Officers – Heads of Service

Increments will be paid to Heads of Service on 1 April each year until the maximum of the level is reached subject to the following:

(i) In exceptional circumstances, increments may be accelerated within the grade at the discretion of the authority on the grounds of special merit or ability, subject to the maximum of the level not being

exceeded in accordance with Head of Service delegation. This will only occur after careful consideration of equal pay requirements and consultation with Human Resources.

(ii) Employees with less than six months' service in the grade by 1 April shall be granted their first increment six months from the actual date of their appointment, promotion or re-grading. All future increments will then be paid on 1 April.

NB: Any action under (i) or (ii) shall not interrupt the payment of subsequent increments on 1 April.

#### **10.4 Employees on Soulbury salary scales**

Increments will be paid on 1 September each year until the maximum of the level is reached subject to the following:

(i) In exceptional circumstances, increments may be accelerated within the grade at the discretion of the authority on the grounds of special merit or ability, subject to the maximum of the level not being exceeded in accordance with Head of Service delegation. This will only occur after careful consideration of equal pay requirements and consultation with Human Resources

(ii) Employees with less than six months' service in the grade by 1 September shall be granted their first increment six months from the actual date of their appointment, promotion or re-grading. All future increments will then be paid on 1 September.

(iii) Structured Professional Assessment points will be paid in accordance with the provisions of the Soulbury Committee and the Council's Soulbury Guidance note.

The small group of employees who remain subject to the local agreement reached in June 2005 for employees within school improvement posts are employed on 'spot points' and are therefore not entitled to receive annual increments.

#### **10.5 Withholding an increment**

For all employees in posts subject to incremental progression, an increment may be withheld due to poor performance. This will only apply where formal capability procedures are being followed in accordance with the Council's Capability Policy. Any increment withheld may be paid subsequently if the employee's performance improves.

#### **10.6 Teachers and School Leaders**

Progression for teachers paid on the main or upper pay ranges will be in accordance with the provisions of the STPCD 2018; any pay movement, where awarded, applies from 1 September each year. Teachers employed on the Leadership spine (Head Teachers, Deputies and Assistant Head Teachers) are eligible to progress within the pay range for their post on 1 September each year until the maximum point is reached. Progression is subject to meeting the requirements for movement set out in the STPCD. More detailed information and guidance can be found in the Council's Teachers' Pay Policy.

### **11. Pay on Promotion or Transfer**

#### **11.1 Move to a new post at the same level**

Where an employee moves to a new permanent post at the same level, they will normally be appointed on the same salary point and retain the incremental date (where this is relevant) from their original post.

#### **11.2 Pay on promotion**

Where an employee receives a promotion they will normally be appointed on the minimum point for the new post (unless the provisions of Section 10 are utilised) subject to them receiving a minimum of one increment above their current spinal point in their pre-promotion post.

All requests to appoint above the minimum of the level must be agreed by the relevant Head of Service, in consultation with their HR&OD Business Partner before any salary offer is made.

In the case of Chief Officers, all requests to appoint above the minimum of the grade must be agreed by the relevant Appointments Committee of the Council.

## **12. Allowances: Overtime, Bank Holiday Working, Night Work, Standby**

Employees on all terms and conditions, other than Chief Officers and teachers, may be paid allowances, where appropriate, in accordance with the relevant provisions of their terms and conditions of employment as supplemented by local agreement.

Chief Officers and teachers are not eligible for such allowances but are expected to undertake duties outside their contractual hours and working patterns as is commensurate with their salary level without additional payment.

## **13. Additional Payments – All Employees**

Employees on all terms and conditions may be eligible for the following additional payments unless otherwise stated:

### **13.1 Additional Duties Scheme**

There may be occasions when an employee is asked to carry out additional duties at a higher level to those of their substantive post for a period of time. In such circumstances an additional payment may be made in line with the Council's Additional Duties Scheme, which can be found [here](#).

N.B. Under the School Teachers' Pay and Conditions Document (STPCD), there are no provisions which allow for the payment of honoraria to teachers.

### **13.2 Professional Fees**

The Council does not pay or reimburse professional / registration fees.

### **13.3 Market Supplements**

Within a diverse workforce encompassing highly skilled professional and technical roles the Council recognises there may be occasions where market forces produce a situation where, in exceptional circumstances, the Council may offer an additional temporary supplement to the pay of a post.

The Council has a Market Supplement Scheme for Local Government Service employees to ensure that requirement for any market pay supplements is objectively justified. With the exception of teachers, the Scheme may apply to other posts within the council.

Supplements are subject to regular review and can be withdrawn where no longer considered justifiable.

### **13.4 Additional Payments under the STPCD**

The STPCD makes provision for the following additional allowances / payments for teachers, subject to the necessary criteria being met:

- Teaching and Learning Responsibility Allowances
- Special Educational Need Allowances
- Recruitment or Retention Incentives and Benefits
- Payments for participation in continuing professional development undertaken outside the school day, out-of-school hours learning activities, activities relating to the provision of initial teaching training and / or additional responsibilities and activities
- learning activities

Where the Council has centrally employed teaching staff, it may make use of the above allowances, subject to meeting the relevant provisions of the STPCD.



**13.5 Travel and Subsistence Expenses**

The Council’s Travel and Subsistence Policy seeks to ensure that no employees will be financially disadvantaged whilst undertaking duties which take them from their normal place of work. Employees will be reimbursed additional travelling or subsistence expenses incurred in the course of their work in accordance with this policy, subject to evidence of expenditure being produced. Details of the current rates for travelling and subsistence expenses can be found [here](#).

**14. Additional Payments to Chief Officer posts**

The Council has a ‘Block Car Allowance’ scheme which applies to all Chief Officers. On appointment, Chief Officers are able choose whether to accept the block allowance or to claim their mileage as and when undertaken as per the Council’s Travel and Subsistence Policy. The Block Car Allowance provides a fixed annual payment to cover all return journeys undertaken on Council business, where each individual journey is less than 70 miles in total. For journeys of more than 70 miles in total, reimbursement is in accordance with the Travel and Subsistence Policy. The Head of Finance does not receive the Block Car Allowance.

<b>CHIEF OFFICER POST</b>	<b>PRE-DEFINED ANNUAL MILEAGE</b>	<b>ANNUAL ALLOWANCE</b>
Chief Executive Strategic Director – People Strategic Director – Place	2,000	£900
Head of Childrens’ Services Head of Regeneration, Investment and Housing	2,400	£1,080
Chief Education Officer Head of Adults’ Services Head of Streetscene and City Services Head of People and Business Change	1,500	£675
Head of Law and Regulation	1,000	£450

**14.2 Returning Officer**

The Council has agreed that the Chief Executive undertakes the role of Returning Officer in respect of local, national and European elections.

The Returning Officer is an officer of the City Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

Other Council staff may undertake duties on behalf of the Returning Officer, e.g. polling clerks, count supervisors, etc. They will receive separate payments for these duties based on their role in any election process.

**15. Employee Benefits**

In additional to an employee’s salary, the Council is able to offer a comprehensive range of benefits

designed to enhance the work / life balance of our employees. The current benefits include:

- the Local Government / Teachers' Pension Schemes as applicable
- generous annual leave entitlements in addition to bank holiday entitlement
- The option to purchase up to one week of additional annual leave
- learning and development opportunities
- flexible working arrangements
- employee wellbeing schemes, such as Care First
- childcare vouchers
- cycle-to-work scheme
- car lease scheme
- technology purchase scheme
- discounted gym and leisure membership
- use of the Vectis card scheme to provide retail discounts
- access to financial support and advice

## **16. Detriment Arrangements**

### **16.1 All employees except Teaching staff**

The Council has a non-contractual Detriment Scheme for those employees whose posts are downgraded as a consequence of implementing structural change. This can be found on the Council's Intranet. Detriment arrangements will not apply where the move to a lower graded post is voluntary.

### **16.2 Teaching Staff**

There are specific statutory arrangements in place for teachers whose posts are downgraded as a result of implementing structural change or because of the implementation of school reorganisations. These provisions are outlined in the STPCD.

## **17. Termination of Employment**

### **17.1 Payments on Termination**

Where an employee's employment is brought to an end on grounds of redundancy or early retirement, they will receive payment on termination of their employment in accordance with the Council's Redundancy Payments and Early Retirement Guidance and discretions relating to the Local Government Pension Scheme policy. This guidance sets out the Council's approach to statutory and discretionary payments on termination of employment of all employees, prior to reaching normal retirement age. It includes the Council's discretions in accordance with the following statutory regulations:

- The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006
- The Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, The Local Government Pension Scheme Regulations 2013 and the Local Government Pension Scheme (Transitional Provisions & Savings) Regulations 2014
- The Teachers' Pension Scheme Regulations 2010 and Teachers (Compensation for Redundancy and Premature Retirement) Regulations.

Chief Officer severance packages above £100,000 must be agreed by full Council. The severance /redundancy package includes any redundancy payment, contractual notice period and full cost of early release of pension (as required under Regulation 68 (2) of the Local Government Pension Scheme).

Payments to the Chief Executive falling outside these provisions or the relevant periods of contractual notice shall be subject to a formal decision made by the Leader and Deputy Leader.

Other payments to other Chief Officers falling outside these provisions or the relevant periods of



contractual notice shall be subject to a formal decision made by the Leader and the Cabinet Member for Human Resources and Assets.

## **17.2 Re-employment following termination**

Employees who have left the Council's employment on grounds of redundancy or early retirement will not normally be re-employed by the Council in the same capacity unless there is an exceptional business reason to do so. For all posts except Chief Officer posts, this will be determined by the Chief Executive, in consultation with the Head of People and Business Change. Where a former employee is re-employed at Chief Officer level, the appointment will be subject to the approval of full Council in accordance with the provisions of the Council's Constitution.

## **18. Confidentiality**

The application of this Pay and Reward Policy will be undertaken in an open and transparent way but the salary details of individual members of staff shall remain confidential. Where the Council is required to publish salary information in accordance with the provisions of the Accounts and Audit (Wales) Regulations 2005, this information is published on an anonymised basis due to the requirements of the current Data Protection Act.

## **19. Workforce Information**

It is recognised that accurate workforce data is critical to the management of the Council's most valuable and costly resource, its employees, and to the implementation of this Pay and Reward Policy. People and Business Change will be responsible for analysing the data that is currently collected in order to inform any future proposed changes to this policy / related policy and in order to fully understand the financial context.

## **20. Partnership with Trades Unions**

The Council will endeavour to maintain the joint working approach that it has developed with its recognised Trade Unions and will continue to work closely with them on pay related matters. There has been consultation with representatives of the recognised Trade Unions during the development of this Pay and Reward Policy. Collective bargaining processes will be followed as appropriate for any proposed changes to pay and/or allowances.

## **21. Publication**

Following approval by the full Council, and in accordance with the requirements of the Localism Act, this Pay and Reward Policy will be published on the Council's Website.

In addition, for posts where the full time equivalent salary is at least £60,000, in accordance with the provisions of Accounts and Audit (Wales) Regulations 2005, the Council's Annual Statement of Accounts will include a note setting out:

- the total amount of salary, fees or allowances paid to or receivable by the postholder in the current and previous year
- any bonuses so paid or receivable by the postholder in the current and previous year
- any sums payable by way of expenses allowance that are chargeable to UK income tax
- any compensation for loss of employment and any other payments connected with termination
- any benefits received that do not fall within the above.

## **25. Policy Review**

This Pay and Reward Policy outlines the current position in respect of pay and reward within the Council. It will be reviewed and reported to Council on an annual basis to ensure it meets the principles of fairness, equality, accountability and value for money for the authority and its residents.

This Pay and Reward Policy is an update to the statement initially approved by Council in March 2012, and updated and approved by Council in subsequent years. This statement will come into immediate effect once fully endorsed by Council at its meeting in April 2019.

## Appendix A: NJC FOR LOCAL GOVERNMENT WORKERS SALARY RATES 1 APRIL 2019

Spinal Column Point	Annual Salary £	Monthly Salary £	Weekly Salary £	Hourly Rate (37) £		
1	17364	1447	333	9.00	<b>Grade 1</b>	
2	17711	1476	340	9.18	(210-253)	
3	18065	1505	346	9.36		<b>Grade 2</b>
4	18426	1536	353	9.55		(254-297)
5	18795	1566	360	9.74	<b>Grade 3</b>	
6	19171	1598	368	9.94	(298-341)	
7	19554	1630	375	10.14		
8	19945	1662	383	10.34		<b>Grade 4</b>
9	20344	1695	390	10.54		(342-397)
10	20751	1729	398	10.76		
11	21166	1764	406	10.97		
12	21589	1799	414	11.19		
13	22021	1835	422	11.41		
14	22462	1872	431	11.64	<b>Grade 5</b>	
15	22911	1909	439	11.88	(398-453)	
16	23369	1947	448	12.11		
17	23836	1986	457	12.35		
18	24313	2026	466	12.60		
19	24799	2067	476	12.85		
20	25295	2108	485	13.11		<b>Grade 6</b>
21	25801	2150	495	13.37		(454-509)
22	26317	2193	505	13.64		
23	26999	2250	518	13.99		
24	27905	2325	535	14.46	<b>Grade 7</b>	
25	28785	2399	552	14.92	(510-565)	
26	29636	2470	568	15.36		
27	30507	2542	585	15.81		
28	31371	2614	602	16.26		<b>Grade 8</b>
29	32029	2669	614	16.60		(566-621)
30	32878	2740	631	17.04		
31	33799	2817	648	17.52		
32	34788	2899	667	18.03	<b>Grade 9</b>	
33	35934	2995	689	18.63	(622-677)	
34	36876	3073	707	19.11		
35	37849	3154	726	19.62		
36	38813	3234	744	20.12		<b>Grade 10</b>
37	39782	3315	763	20.62		(678-743)
38	40760	3397	782	21.13		

39	41675	3473	799	21.60	<b>Grade 11</b>	
40	42683	3557	819	22.12	(744-809)	
41	43662	3639	837	22.63		
42	44632	3719	856	23.13		<b>Grade 12</b>
43	45591	3799	874	23.63		(810-875)
44	46729	3894	896	24.22		
45	47903	3992	919	24.83	<b>Grade 13</b>	
46	49103	4092	942	25.45	(876-941)	
47	50325	4194	965	26.08		
48	51583	4299	989	26.74		<b>Grade 14</b>
49	52869	4406	1014	27.40		(942-1007)
50	54195	4516	1039	28.09		
51	55551	4629	1065	28.79	<b>Grade 15</b>	
52	56938	4745	1092	29.51	(1008+)	
53	58356	4863	1119	30.25		

**Appendix B: CHIEF OFFICER SALARY RATES – 1 APRIL 2019**

JOB TITLE	GRADE	SCALE	ANNUAL SALARY £
<b>CHIEF EXECUTIVE</b>	MD01	001	121,568
		002	127,744
		003	133,915
		004	140,091
<b>STRATEGIC DIRECTORS</b>	CD01	001	102,086
		002	105,865
		003	107,502
		004	111,205
<b>HEADS OF SERVICE</b>	HDS01	001	75,316
		002	77,203
		003	79,126
		004	81,105

**Appendix C: SOULBURY SALARY RATES – 1 SEPTEMBER 2018**

**i) EDUCATIONAL IMPROVEMENT PROFESSIONALS (EIPs)**

SPINE POINT	SALARY FROM 1.9.18	SPINE POINT	SALARY FROM 1.9.18
1	34,749	26	64,173
2	35,993	27	65,282
3	37,168	28	66,405
4	38,359	29	67,532
5	39,543	30	68,656
6	40,727	31	69,771

7	41,971	32	70,903
8	43,168*	33	72,036
9	44,563	34	73,197
10	45,807	35	74,353
11	47,035	36	75,544
12	48,223	37	76,715
13	49,569**	38	77,899
14	50,769	39	79,066
15	52,095	40	80,233
16	53,293	41	81,406
17	54,495	42	82,578
18	55,674	43	83,749
19	56,891	44	84,925
20	57,519***	45	86,099
21	58,727	46	87,274
22	59,780	47	88,454
23	60,939	48	89,623****
24	61,978	49	90,797****
25	63,089	50	91,972****

**NOTES:**

Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit and motivate employees.

\* normal minimum point for EIP undertaking the full range of duties at this level

\*\* normal minimum point for senior EIP undertaking the full range of duties at this level

\*\*\* normal minimum point for leading EIP undertaking the full range of duties at this level

\*\*\*\* extension to range to accommodate structured professional assessments.

**ii) EDUCATIONAL PSYCHOLOGISTS**

<b>EDUCATIONAL PSYCHOLOGISTS - SCALE A</b>	
<b>SPINE POINT</b>	<b>SALARY FROM 1.9.18</b>
1	36,446
2	38,296
3	40,146
4	41,994
5	43,844
6	45,693
7	47,434
8	49,175
9	50,806*
10	52,439*
11	53,961*

**NOTE:**

\*The 11-point scale A provides for up to 3 additional SPA points to be added to the postholder's entitlement on the appropriate 6-point range

**ii) SENIOR EDUCATIONAL PSYCHOLOGISTS**

<b>SENIOR AND PRINCIPAL EDUCATIONAL PSYCHOLOGISTS (B) SALARY RANGE</b>			
<b>SPINE POINT</b>	<b>SALARY FROM 1.9.18</b>	<b>SPINE POINT</b>	<b>SALARY FROM 1.9.18</b>
1	45,693	10	58,089
2	47,434	11	59,243
3	49,175*	12	60,420
4	50,806	13	61,617
5	52,439	14	62,774**
6	53,961	15	63,986**
7	54,586	16	65,186**
8	55,754	17	66,395**
9	56,911	18	67,602**

**NOTES:**

Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate employees.

\* Normal minimum point for the principal educational psychologist undertaking the full range of duties at this level

\*\* Extension to range to accommodate discretionary scale points and structured professional assessments

**Appendix D: TEACHERS' SALARY RATES – 1 SEPTEMBER 2018**

Set out below are teachers' pay scales from 1 September 2018 for England and Wales.

**i) TEACHER PAY RANGES**

<b>QUALIFIED TEACHERS – pay rate from 1/9/18 – 31/8/19</b>	<b>ENGLAND &amp; WALES</b>	<b>UNQUALIFIED TEACHERS – pay rate from 1/9/18 – 31/8/19</b>	<b>ENGLAND &amp; WALES</b>
<b>MAIN RANGE</b>	<b>£ p.a.</b>		<b>£ p.a.</b>
<b>Minimum</b>	23,720	<b>Minimum</b>	£17,208
<b>Maximum</b>	35,008	<b>Maximum</b>	£27,216
<b>UPPER PAY RANGE</b>	<b>£ p.a.</b>		
<b>Minimum</b>	36,646		
<b>Maximum</b>	39,406		

**NOTE:**

From 1 September 2013, the qualified and unqualified teacher pay scales were replaced by the ability for the relevant body to pay such salary as it determines within the above Qualified and Unqualified Teacher Pay Ranges.

**ii) ADDITIONAL ALLOWANCES / PAYMENTS**

<b>TEACHING AND LEARNING RESPONSIBILITY (TLR) PAYMENTS</b>	<b>ANNUAL SALARY £</b>		<b>ANNUAL SALARY £</b>	
TLR 3 BAND (fixed-term award only)	Minimum	540	Maximum	2,683
TLR 2 BAND	Minimum	2,721	Maximum	6,646
TLR 1 BAND	Minimum	7,853	Maximum	13,288

<b>SPECIAL EDUCATIONAL NEEDS (SEN) ALLOWANCES</b>	<b>ANNUAL SALARY</b>			
	<b>£</b>			
SEN RANGE	Minimum	2,149	Maximum	4,242

**iii) PAY SPINE FOR THE LEADERSHIP GROUP 1/9/2018 – 31/8/2019**  
 (This spine applies to Headteachers, Deputy Headteacher, and Assistant Headteachers)

<b>LEADERSHIP PAY – 1/9/18 – 31/8/19</b>	
	<b>ENGLAND &amp; WALES</b>
<b>MAIN RANGE</b>	<b>£ p.a.</b>
<b>Minimum</b>	39,965
<b>Maximum</b>	111,007

# Report

## Cabinet

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### Part 1

Date: 17 April 2019

Item No: 6

**Subject** Dying to Work charter

**Purpose** Cabinet to consider adopting the Dying to Work charter

**Author** Rhys Cornwall, Head of People and Business Change

**Ward** All

**Summary** The TUC launched the Dying to Work campaign which seeks to have terminal illness recognised as a 'protected characteristic' so that an employee with a terminal illness would have a 'protected period' where they could not be dismissed as a result of their condition. Employers are asked to sign a charter whereby they would commit to the principles of the campaign and not dismiss an employee with a terminal illness.

**Proposal** Cabinet is asked to consider signing the Dying to Work charter

**Action by** Cabinet

**Timetable** Immediate

This report was prepared after consultation with:

- Cabinet Member for Community and Resources
- Senior Leadership Team
- Employee Partnership Forum
- Head of Law and Regulation
- Head of Finance

**Signed**

## Background

The TUC's Dying to Work campaign would like to see terminal illness recognised as a 'protected characteristic' so that an employee with a terminal illness would be entitled to a 'protected period' where they could not be dismissed as a result of their condition. In the absence of this being legislated for, the TUC are calling for employers to consider making a commitment towards this campaign by signing their charter and agreeing not to dismiss any employee diagnosed with a terminal condition.

In order to meet the requirements of the Charter, the Council would need to commit to the following:

- **Review sick pay and sickness absence procedures** and include a specific statement that no employee with a terminal diagnosis will be dismissed because of their condition.
- **Ensure that an Employee Assistance Programme is in place** that has the capacity and competency to provide support to any employee with a terminal illness, including access to counselling and financial advice.
- **Provide training to line managers and all HR staff** on dealing with terminal illness, including how to discuss future plans with any employee who has a diagnosis of a terminal illness, and on what adaptations to work arrangements that may be necessary.
- **Adopt the Dying to Work Charter** and notify all employees that they have made the commitments contained in it.

The list above is not complex to comply with – it would be straightforward to make a commitment in the Council's Management of Attendance Policy that the Council will not dismiss any person with a terminal diagnosis because of their condition. The Council already offers an Employee Assistance Programme that provides support to employees with counselling and financial advice. Training could be provided for line managers and HR staff dealing with situations where employees receive a diagnosis of a terminal illness, and will be included in our current learning exchange programme for 2019/20.

Current practice is very much led by the wishes of an individual and their family in such a position. Discussions do take place between employees and their family members with management and HR regarding the employee's preferred wishes. The options available to employees will usually consist of ill health retirement or death in service, both of which have financial implications for individuals and their families. The Council would not dismiss an employee by means of an inability hearing due to receiving a diagnosis of terminal illness. Signing up to this charter would confirm our commitment to this.

The following would need to be arranged in order to be included on the Charter list:

- Dates of availability for a public signing ceremony
- The logo of the organisation and union(s) signing the charter
- The names of those signing the charter on behalf of the employer and union(s)
- The names and quotes for draft press releases
- The number of workers to be covered by the Charter. These will be added to the national total
- Confirmation that photos can be taken at the event which the TUC can share on social media, the campaign website and other outlets

### What happens when the Charter is signed?

The TUC will provide a customised copy of the charter for the public signing ceremony which will be attended by a representative of the campaign. The TUC will also work with PR to co-ordinate press releases to generate media coverage in both the local and national press and broadcast media.



After the signing, the Council's details will be added to the campaign website and the charter will be left with the Council to display as deemed appropriate.

The Council's Management of Attendance Policy would be amended to make reference to the charter.

### Who in Wales has already signed the Charter?

Caerphilly Council

Cardiff Council

Carmarthenshire County Council

Neath Port Talbot Council

More information on organisations that have signed the charter can be found at [www.dyingtowork.co.uk](http://www.dyingtowork.co.uk)

### Financial Summary

- There are no financial implications contained within this report.

### Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Failure to comply with the provisions of the Charter once signed	H	L	The Council's Management of Attendance Policy will be revised to take account of the provisions and managers will receive training and support	Head of People and Business Change

\* Taking account of proposed mitigation measures

### Links to Council Policies and Priorities

The Management of Attendance Policy outlines the Council's responsibilities towards the workforce during periods of absence due to ill health. The Council seeks to be supportive in these situations and has a duty of care towards employees with long term medical conditions that need reasonable adjustments to remain in work.

The Council's People and Culture Strategy outlines our commitment to Employee Wellbeing and the increased focus that is needed in supporting people to remain in work wherever possible, balancing this with the understanding that the Council's business has to function effectively, and that employees are individuals with different needs and different levels of support.

### Options Available and Considered

The options available are as follows:

1. For Cabinet to agree to sign the Dying to Work charter.
2. For Cabinet not to agree to sign the Dying to Work charter.

### **Preferred Option and Why**

For Cabinet to agree to sign the Dying to Work charter – this step demonstrates the Council's commitment to supporting employees and their families during very difficult times of need, and respecting an employee's wishes not to be dismissed when diagnosed with a terminal condition.

### **Comments of Chief Financial Officer**

There are no direct financial implications of Cabinet signing the Charter. Any financial impact as a result of adhering to the guidance laid out in the Charter would need to be managed by individual managers within service area budgets.

### **Comments of Monitoring Officer**

The proposed action is in accordance with the Council's legal powers under section 112 of the Local Government Act 1972 to set reasonable terms and conditions for the employment of staff. Although signing the TUC Charter, of itself, is simply a commitment to sympathetic employment practices in the management of staff with terminal illnesses, the incorporation of the right to a "protected period" within the Council's Management of Attendance Policy will give rise to enhanced contractual rights for the protected employees. Many terminal illness will already mean that the employees are suffering from a recognised "disability" for the purposes of the Equalities Act, but the Charter would extend the range of illnesses that would be classed as a "protected characteristic". Employees suffering from a disability already have the right not to be disadvantaged or discriminated against, directly or indirectly, as a consequence of their disability and the Council has a duty to make reasonable adjustments and treat them fairly in terms of any sickness absences or working arrangements. However, the Charter would take this further for employees with terminal illnesses and prevent them from being dismissed at any time during the "protected period" because of their illness. There would need to be provision for termination of employment on grounds of permanent ill-health or by mutual consent, where that was in the best interests of the employee.

### **Comments of Head of People and Business Change**

The Council seeks to support employees with health conditions that prevent them from attending work on a short or long term basis, and has a Management of Attendance Policy that demonstrates its supportive actions along with a procedure that enables the organisation to manage attendance levels.

We currently provide a range of supportive tools to facilitate attendance at work whilst managing a health condition – we provide an Employee Assistance Programme that offers ease of access to counselling and information signposting, we have a local occupational health provider available to employees, and are in the process of building a wellbeing hub for staff to access further wellbeing options. Signing the charter would further add to the Council's supportive stance when supporting employees with a diagnosis of terminal illness.

Currently, managers work closely with HR to support individuals and their families in such situations with care and sensitivity. The decision to end employment is at the request of the employee and would usually be through ill health retirement. However, the Council is equally mindful that financial situations for families can be improved should the employee die in service, and on that basis we would not make any decision to dismiss. Signing the charter would confirm our approach in this regard.

In addition, signing this charter supports the Council's Corporate Plan mission of improving people's lives by ensuring any employee with a terminal illness is protected and supported by their employer. This charter contributes to the Well-being goals of a healthier Wales and a more equal Wales.

## **Comments of Cabinet Member**

Supporting vulnerable people is a key priority for Cabinet and making a decision to sign the Dying to Work charter shows our commitment to delivering this support. No employee of the Council who has been diagnosed with a terminal illness should be dismissed because of their condition or absence they have taken as a result of their condition. Managers should treat such staff with sensitivity and respect and work with them and their families to either maintain the ability to attend work at a future point, or allow the individual to best determine when they may wish to consider the right time to cease employment. I recommend that Cabinet approve this report and instruct officers to make arrangements for us to sign the charter.

## **Local issues**

N/A

## **Scrutiny Committees**

N/A

## **Equalities Impact Assessment and the Equalities Act 2010**

Whilst a formal assessment has not taken place, this report would remove or minimize disadvantage suffered by employees due to their protected characteristic of disability.

## **Children and Families (Wales) Measure**

N/A

## **Wellbeing of Future Generations (Wales) Act 2015**

The Dying to Work Charter contributes to the well-being goals for a healthier wales and a more equal wales. The charter will ensure employees with a terminal illness are supported and their well-being considered when they are making choices about their health. The charter will also ensure all employees are treated equally no matter what their background or circumstances.

The five ways of working have been applied when considering this proposal. The Employee Partnership Forum have been involved in this work and by signing the charter the Council is part of a wider collaborative campaign by the TUC. The aim of the campaign is to prevent any employee with a terminal illness from being dismissed by their employer, and the charter focuses on both short term and longer term needs.

## **Crime and Disorder Act 1998**

N/A

## **Consultation**

N/A

## **Background Papers**

None

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# Report

## Cabinet

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### Part 1

Date: 17<sup>th</sup> April 2019

Item No: 7

### **Subject** Children's Charter – The Young Person's Promise

**Purpose** To propose a Young Person's Promise (Children's Charter) to Cabinet which has been developed through extensive engagement with young people.

**Author** Policy, Partnership and Involvement Manager

**Ward** City-wide

**Summary** The Council's Corporate Plan made the commitment to have in place a Children's Charter, to set out promises, to guide policy and decision-making. From the onset it was decided that the Charter (which will be known as the Young Person's Promise) would be developed by young people, with Newport Youth Council leading engagement with stakeholders. Following extensive engagement work, this report proposes a draft Young Person's Promise, attached as annex 1, for Cabinet's consideration.

**Proposal** Cabinet to:

- 1) Consider the draft Young Persons Promise and the engagement work undertaken;
- 2) Endorse the Promise as a set of commitments for how the Council will work with and for children and young people.

**Action by** All services - the Young Person's Promise has implications across all Service Areas and Council functions, and is not limited to traditional 'children's services'.

**Timetable** If agreed by Cabinet the intention is for a high profile public launch of the Young Person's Promise to raise awareness and build ownership .The Promise will then form an ongoing set of commitments to guide the Council's work with children and young people.

This report was prepared after consultation with:

Cabinet Members for Education & Skills, Community & Resources, Social Services  
 Aspirational People Board  
 Corporate Management Team  
 Strategic Director - People  
 Newport Youth Council  
 Various children and young people's groups (listed in report)  
 Newport school children  
 Looked After Children

**Signed**

## **1.0 Background**

### **Context**

The rights to which all children and young people under the age of 18 are entitled to are set out internationally in the United Nations Convention on the Rights of the Child (UNCRC). The UNCRC was drawn up in 1989 to ensure that universal rights of children are upheld throughout the world. It sets out fundamental rights in 41 articles covering the things that children and young people need to make sure that they are safe, that they need to survive and develop, and have a say in decisions that affect their lives. The Welsh Government adopted the Convention as the basis for policy making for children and young people in Wales in 2004. This means that Council's must give due regard to children's rights in the course of their business.

The Council's Corporate Plan 'Improving People's Lives' states the intention to have in place a Children's Charter which will set out commitments to children and young people and their families, including specific commitments to children in care and care leavers. A charter is a set of promises that help in decision making and policy development but do not replace laws. They set out the rights of children and young people when they use Newport City Council's services but also in what they can expect the Council to be doing for them. The Charter for Newport has been developed by young people for young people and includes the commitments which matter most to the young people of Newport.

In Wales, there are seven National Participation Standards to help organisations and individuals make sure all work involving the participation of children and young people is of a high standard and is a positive experience. The Standards identify the key issues that all workers should be aware of when working with children and young people in Wales. Throughout development of the Promise the National Participation Standards were adhered to and they will continue to guide its implementation.

Initial feedback from young people was that they preferred the term "Young Person's Promise" rather than the words Children's Charter. Therefore, throughout this document and going forward the Children's Charter will be referred to as the 'Young Person's Promise' or shortened to 'the Promise'.

## **2.0 Engagement of young people**

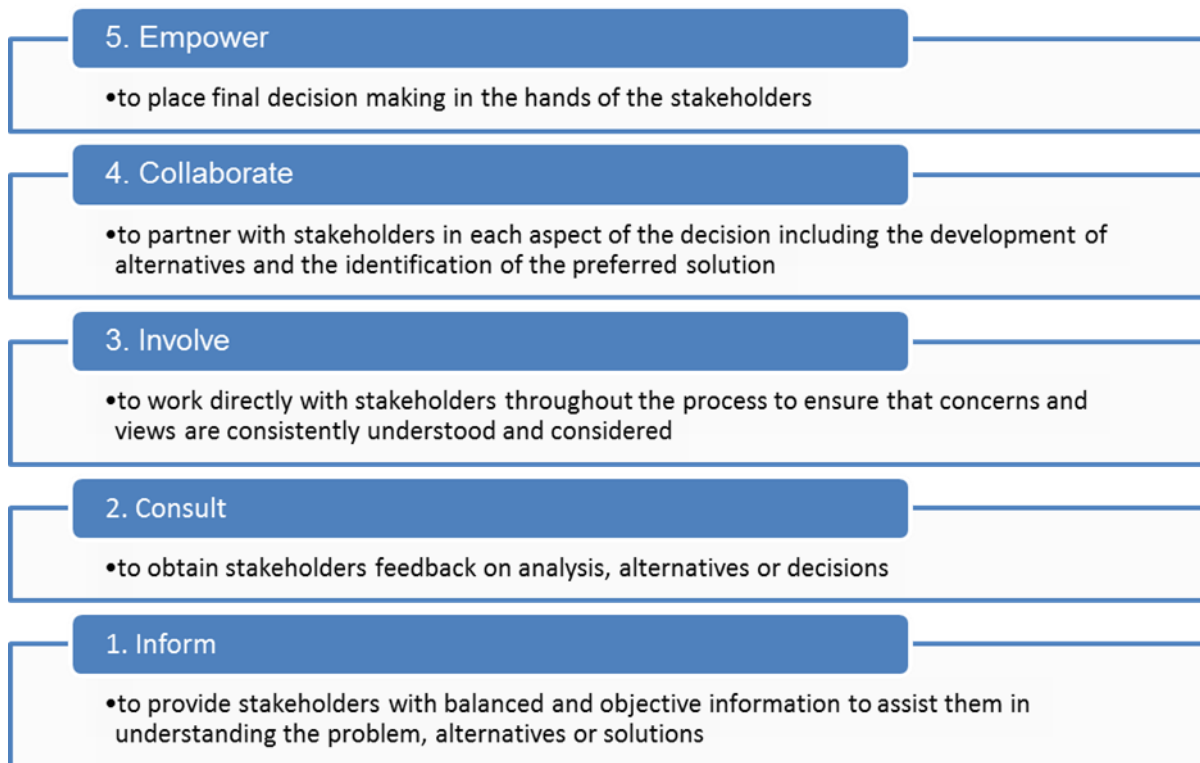
There has been extensive engagement with children and young people throughout the development process of the Young Person's Promise. The process has been young person led, and has included a series of workshops with Newport Youth Council as well as gaining feedback from School councils. In December an engagement event was held in partnership with a number of different agencies with Newport Youth Council taking the lead in organising and facilitating the event. This was an opportunity for young people across Newport to network, find out about what each other's organisations do and to work on the Young Person's Promise. The chair of the youth council introduced the Young Person's Promise, stating the importance of the Promise and what it means, this was then the start of a workshop to encourage involvement in drafting the charter and to build ownership.



This level of engagement is an example of empowering young people by allowing them to shape policy and would be regarded as “collaboration” on the Hart’s Ladder of Participation model, as shown below and referenced in previous engagement reports.



## Hart's Ladder of Participation



The six commitments set out in the Promise also have a strong connection to the wellbeing goals and the sustainable development duty as set out in the Wellbeing of Future Generations Act 2015. By their very nature their focus on children and young people takes a long-term and preventative view and involvement of young people has been a driving principle in their development.

### Stakeholders involved in the development of the Young Person's Promise include:

**Newport Youth Council** – a youth participation group set up by Newport City Council to involve young people in decision making.

**The Bigger Picture** - an organisation who work with those who are considered potentially at risk of offending/re offending as well as young people who aren't otherwise engaging in any activities,

**Newport Changing Minds** – Mental health support for young people in Newport

**Shaftesbury Youf Gang** - who provide a positive link with the Police and youths in inner city Newport. The aim of the group is to provide a safe and secure environment, and build a positive relationship with young people, families and the local community.

**Unity** - Newport City homes youth forum for tenants

**Go Girls** – housing association - a young person forum for young women to discuss issues that are important to them

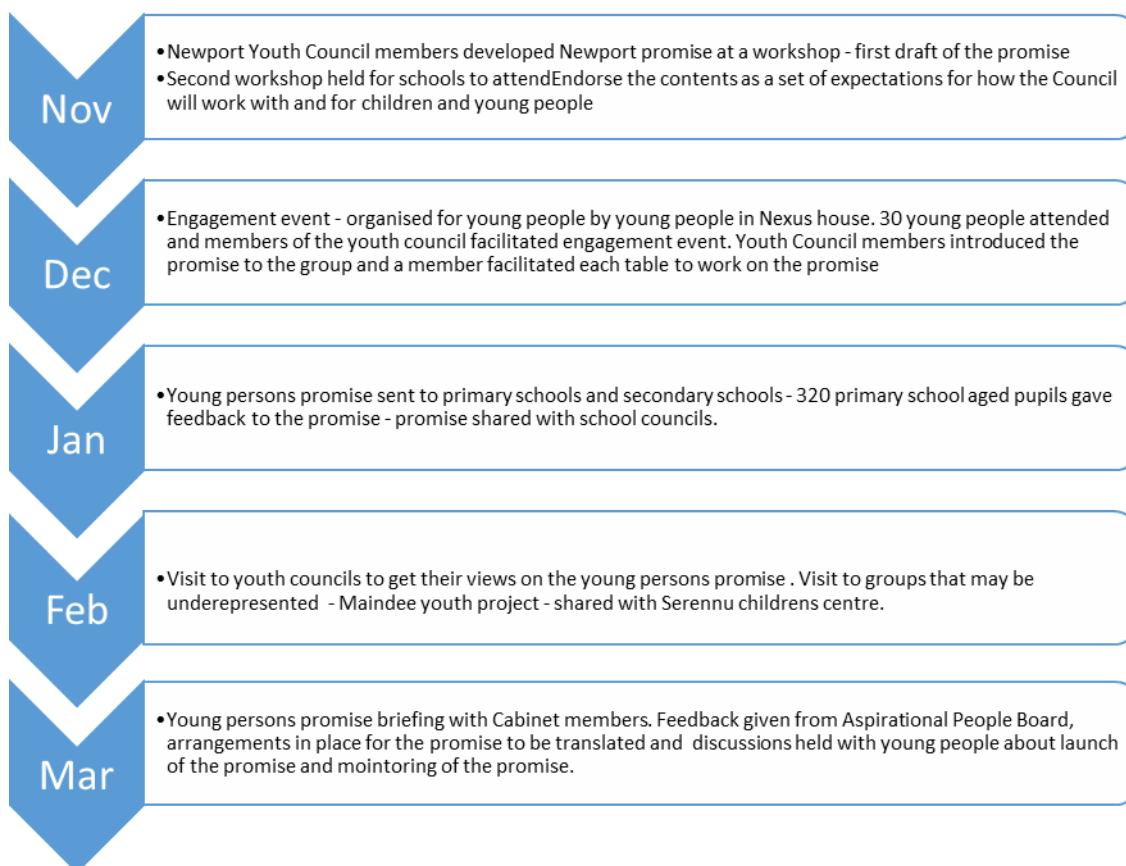
**The Brothers** – housing association – a young person forum for young men to discuss issues that are important to them.

**Barnardo's** –young carer's service

**Newport Youth Service** - Newport's youth information service offers qualified youth workers to provide information, support and guidance to young people aged 11 – 25 in a friendly and informal setting.

**Schools** – the Pupil Participation and Learning Network has given feedback on the Promise and over 320 pupils have been involved in its development.

## Timeline



## Looked after children/ children in care

There have been three focus groups with children in care/ looked after children to gain their insight into the charter and to gain views and priorities from their perspective. However as the Young Person's Promise is 'universal', a set of specific commitments for children in care/looked after children will be included in the Corporate Parenting Strategy, which is currently also in development.

Through the development of the Promise there has been monthly feedback from senior officers at Aspirational People board meetings to ensure that the Promise is on track for delivery and to gain any other feedback.

### **3.0 The Newport Young Person's Promise**

Following the extensive engagement work described above the young people came up with a six point Promise, reminiscent of the six points of the People's Charter, historically associated with Newport. The Promise, attached as Annex 1, does not try to cover all of the established rights of young people (e.g. UNCRC rights of the Child) but instead focusses on a smaller set of key expectations young people want Newport City Council to deliver. They also relate to a range of statutory duties e.g. Children and Families (Wales) Measure 2010, the Wellbeing of Future Generations Act 2015, safeguarding regulations, and key moral obligations.

The commitments in the Promise are as follows:

- 1 *All young people are listened to and are included in decisions that affect them*
- 2 *All young people have access to education and learning opportunities*
- 3 *All young people have the same opportunities to reach their potential regardless of race, gender, religion, (dis)ability, LGBTQ+ status, language preference (Welsh)*
- 4 *Newport Council will work with other services to help keep young people safe*
- 5 *All young people's mental, physical health and wellbeing are considered in decisions that affect them*
- 6 *All young people have access to safe spaces to play and socialise*

The Promise is intended to be universal and relevant to all children and young people in Newport. The age-range of the Promise is 0-18, however, whilst some of the commitments will apply to all children and young people e.g. keeping them safe (promise 4) others are likely to be more relevant to older children e.g. involvement in decision making (promise 1).

The final text and design of the Young Person's promise shown in Annex 1 will be reviewed by Newport Youth Council before the launch of the document.

#### **Launch of the Newport Promise**

A number of discussions have taken place with young people about how they would like the Young Person's Promise to be launched. Some of these suggestions have included visibility using key buildings such as the Civic Centre clock – this would ensure that the Promise is far reaching as possible and would be a part of social media campaign.

#### **Monitoring and evaluation**

A monitoring and evaluation plan is being developed in order to monitor the outcomes from the Promise and to ensure that the Council are fulfilling the commitments. An indicative monitoring plan is shown in Annex 2. There will be an annual monitoring process which members of Newport Youth Council will take part in to ensure that the Promise allows young people to continue to hold the Council to account.

The action plan will be promoted on internal staff communications and all new staff will be informed about the Young Person's Promise as part of their induction.

The intention is that the Promise will be monitored through the Strategic Equalities Plan and through the Council's performance management arrangements.

## Financial Summary

	<b>Year 1 (Current) £</b>	<b>Year 2 £</b>	<b>Year 3 £</b>	<b>Ongoing £</b>	<b>Notes including budgets heads affected</b>
<b>Costs (Income) Net Costs</b>					Funding for launch activities will be found from existing Partnership, Policy and Involvement Team Budgets, which are designated to support the Youth Council.
	To be confirmed est £1,000 for launch activities				
<b>(Savings) Net Impact on Budget</b>					

There will be minimal costs relating to the launch of the Promise, this is a set of principles for services to work to, and as such no specific costs to be considered.

## Risks

<b>Risk</b>	<b>Impact of Risk if it occurs* (H/M/L)</b>	<b>Probability of risk occurring (H/M/L)</b>	<b>What is the Council doing or what has it done to avoid the risk or reduce its effect</b>	<b>Who is responsible for dealing with the risk?</b>
Awareness of the Promise is not wide enough	Low	Low	Work with Communications Team and partner organisations to publicise and promote widely	Partnership, Policy and Involvement Team
Promise does not bring about positive impact	Medium	Low	Monitoring of outcomes through Strategic Equalities Group and other performance management arrangements	SEG Aspirational People Board

\* Taking account of proposed mitigation measures

## Links to Council Policies and Priorities

The Young Person's Promise is a stated commitment of the Council's Corporate Plan (one of the commitments by 2022).

The Promise runs alongside specific commitments to looked after children/children in care to be set out in the Corporate Parenting Strategy.

The Promise also relates to various safeguarding duties, play provision duties, participation and equalities duties all aimed at improving the wellbeing of children and young people. The Promise therefore contributes to the delivery of the Wellbeing of Future Generations Act 2015 and Council wellbeing objectives primarily:

- To improve skills, educational outcomes and employment opportunities
- To enable people to be healthy, independent and resilient
- To build cohesive and sustainable communities

## **Options Available and considered**

- 1) Endorse the contents as a set of expectations for how the Council will work with and for children and young people;
- 2) To revise the Promise commitments;
- 3) To instruct that further development work be undertaken with young people.

## **Preferred Option and Why**

- 1) Endorse the contents as a set of expectations for how the Council will work with and for children and young people. This piece of work is an example of citizen empowerment and has been young people led. The commitments are in line with existing Council policies and duties.

## **Comments of Chief Financial Officer**

There is a small cost estimated to be incurred with the launch activities related to this proposal which will be funded through existing Partnership and Policy Team budgets. This is a set of principles for services to work to, and as such have no direct / specific costs in in itself though any resulting policies and service developments may have and will need to be considered at that point.

## **Comments of Monitoring Officer**

There are no specific legal issues arising from the Report. The Young Person's Promise is consistent with the Council's legal duties under the UNCRC, the Children and Families (Wales) Measure 2010 and other statutory duties relating to the provision of services for children and young persons. The promises and standards set out how the Council will engage with young persons and have regard to their rights when taking decisions in relation to service delivery and policy development. Although the Promise will not create any additional legal duties or obligations, it does give a commitment to take into consideration the rights and interests of children and young person's when discharging existing statutory functions. The Promises is also consistent with the Council's well-being objectives and the five ways of working under the Well-Being of Future Generations (Wales) Act.

## **Comments of Head of People and Business Change**

The Young People's Promise will deliver one of the Council's key Corporate Plan commitments. In doing so it will recognise the importance of young people's rights and interests, our duties to secure their wellbeing and will enable and empower them to take part in public life. It is noted that the development of the Promise has been led by young people, and the Youth Council's work on this, in particular, should be acknowledged. Service areas will now need to embed the Promise commitments in policy and service delivery.

There are no direct human resources implications in this report.

## **Comments of Cabinet Member**

The Cabinet Members for Education & Skills, Community & Resources, Social Services have approved the report for consideration by Cabinet.

## **Local issues**

None.

## **Scrutiny Committees**

Scrutiny Committees have considered the Corporate Plan and the Overview and Scrutiny Management Committee have considered public engagement and advocate a progressive approach in line with the Hart's Ladder of Participation outlined in the report.

## **Equalities Impact Assessment and the Equalities Act 2010**

A fairness and equality impact assessment is in place for this policy. The Promise is intended to bring about equal opportunities, strengthen community relations, contribute to fairness and sustainable development. Commitment 5 relates to the importance of the impact assessment of decisions which affect children and young people.

## **Children and Families (Wales) Measure**

This piece of legislation requires that children and young people are involved in the decisions which affect them. The Young Person's Promise not only exemplifies this by being young people led, but also sets out commitments for further involvement in decision making; and the need to consider young people's wellbeing when decisions are made.

## **Wellbeing of Future Generations (Wales) Act 2015**

- Long term: The Promise represents a set of commitments to improve the wellbeing of young people who will be future generations. The commitments are relevant to younger children and relate to preventative work such as the Adverse Childhood Experiences (ACEs) agenda.
- Prevention: As above work to support the wellbeing of children and young people can help to avoid problems in the future e.g. generational cycles of poverty
- Integration: The Promise contributes to Council wellbeing objectives and also national wellbeing goals. The most relevant Council wellbeing objectives are: to improve skills, educational outcomes and employment opportunities; to enable people to be healthy, independent and resilient; to build cohesive and sustainable communities.
- Collaboration: The commitments set out in the Promise will generally be delivered in partnership with other public services including, health, the Police, representative groups and third sector organisations.
- Involvement: The Promise has been developed with involvement of young people as a guiding principles and it sets out commitments to further develop participation going forward.

## **Crime and Disorder Act 1998**

The Promise is not directly about crime prevention however work that supports young people's wellbeing and promotes positive participation will contribute to this.

## **Consultation**

Extensive consultation has been undertaken with stakeholders and is outlined in this report.

## **Background Papers**

Annex 1: The draft Newport Young Person's Promise  
United Nations Convention on Rights of the Child  
Newport City Council – Improving People's Lives

Dated:

# Newport City Council promise...

 @YouthNewport



1) That all young people in Newport are listened to and are included in decisions that affect them

3) That all young people have the same opportunities to reach their potential regardless of race, gender, religion, (dis)ability, LGBTQ+ status, language preference (Welsh).

5) That all young people’s mental, physical health and wellbeing are considered on decisions that affect them

2) That all young people have access to education and learning opportunities

4) That Newport City Council will work with other services to help keep young people safe

6) That all young people have access to safe spaces to play and socialise



## Annex 2 Indicative monitoring and evaluation plan

Promise	Monitored by
<p>1. That all young people are listened to and are included in decisions that affect them</p> <p><i>Note: Engagement of young people does not detract from the Council's democratic mandate and final responsibility in decision-making.</i></p>	<ul style="list-style-type: none"> <li>• Understanding how data relating to young people is considered in decision making</li> <li>• Monitoring whether and how young people were consulted on decisions that may affect them</li> <li>• Survey young people to ask if they feel they are listened to</li> </ul>
<p>2. That all young people have access to education and learning opportunities</p>	<ul style="list-style-type: none"> <li>• Number of young people not in education, employment or training.</li> <li>• School attendance</li> <li>• Exclusions data</li> </ul>
<p>3. That all young people have the same opportunities to reach their potential regardless of race, gender, religion (dis)ability, LGBTQ+ status, language preference ( Welsh)</p>	<ul style="list-style-type: none"> <li>• Monitored through policies across services e.g. physical access to schools, educational attainment of minority groups and through the Strategic Equalities Group</li> </ul>
<p>4. That Newport City Council will work with other services to help keep young people safe</p>	<ul style="list-style-type: none"> <li>• Reports on safeguarding and child protection performance. CSSIW reports</li> <li>• Strategic work to improve community safety e.g. Serious Organised Crime programme</li> </ul>
<p>5. That all young people's mental, physical health and well-being are considered on decisions that affect them</p>	<ul style="list-style-type: none"> <li>• Monitoring of Fairness and Equality Impact Assessments to evaluate whether they take account of impacts on young people's health and wellbeing</li> <li>• Community Well- being profile to include specific data on Children and Young People's health and Well- being</li> </ul>
<p>6. That all young people have access to safe places to play and socialise</p>	<ul style="list-style-type: none"> <li>• Safe routes to schools – Cleanliness and condition of parks and public spaces. Location of crime data.</li> <li>• Perception Surveys – asking young people if they feel safe in City centre/ local area</li> </ul>





# Report

## Cabinet

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### Part 1

Date: 17 April 2019

Item No: 8

**Subject** Commercialisation Strategy

**Purpose** Present a commercialisation strategy for cabinet to consider.

**Author** Will Godfrey, Chief Executive

**Ward** City-wide

**Summary** The financial position facing local government continues to be a significant challenge. Over the period to 2022 the projected savings required to balance our annual budgets will cumulatively be around £30m.

The council has demonstrated very effective financial management over an unprecedented period of austerity. Much of our success has been due to our focus on managing demand and improving efficiency. Whilst we will continue to look at these areas, the scale of our financial challenge requires a different approach.

The purpose of this report is to outline a council wide approach to commercialisation, which will aim to generate income to support service delivery in future budget processes.

**Proposal** Cabinet is asked to:

- 1) Agree the outline approach set out in this report
- 2) Delegate operational decision making regarding the commercialisation strategy to the Chief Executive
- 3) Establish the Investment Board, as outlined in the report, with immediate effect to manage the property investment portfolio.
- 4) Agree the principle of a commercial property fund to be taken to the Council for approval within the Capital Strategy, including the approval of £50m for this purpose, noting that detailed terms of reference and investment guidelines and parameters for the Investment Board will be agreed by the Cabinet before any activity commences.
- 5) Ask the Chief Executive to progress a feasibility study on the establishment of a local authority company to manage our commercialisation activity and approve up to £100k from the Council's Invest to Save fund for this purpose.

**Action by** Chief Executive,

**Timetable** Immediate

This report was prepared after consultation with:

- Chief Executive
- Strategic Director (Place)
- Head of Law & Regulation
- Head of Finance

**Signed**

## **Background**

Over the last few years, as government funding to support local government services has failed to keep pace with cost pressures, authorities have looked at alternative ways of delivering financial sustainability. As a result, an increasing number of councils have focused on generating new sources of income, often outside core activities, to support ongoing service delivery.

Newport City Council faces a particularly challenging set of circumstances:

- Welsh Government 'Revenue Support Grant', which funds around 80% of the council's net revenue budget has failed to meet our rising costs and there is no certainty of future levels of support.
- We have seen significant increases in demand in social care and education/schools, which has been the main pressure on our budget in recent years.
- Savings of circa £45m have been delivered over the last 5 years and on current projections we will need to find a further £30m of savings by 2022.
- Newport City Council spends around £8m less than its standard spending assessment, due to its relatively low council tax. So we are a relatively low funded council.

Faced with these circumstances it is appropriate to look at how putting in place a commercialisation strategy can help meet the challenges we are facing.

Adopting this approach requires careful thought as it introduces new activities and different types and levels of risk. This report sets out a proposed framework and a number of proposed actions. Further work will be necessary as part of this approach. In particular, we need to conduct a feasibility study on establishing a company to manage our commercial activity.

Generating additional and sustainable sources of income is very challenging. Cabinet needs to set out a very clear framework, and there will need to be an acceptance that as we are exploring new activities we may not succeed in everything we try. Nevertheless, as this report sets out, developing a more commercial approach is an important element of our ongoing financial sustainability.

It is also important to understand this report is just the first step in creating an overall commercialisation strategy. Further reports will be submitted to cabinet in due course, which will set out in more detail the long term approach. However, as with any new approach, we have to make a start, which is the purpose of this report.

## **Proposed Framework**

Although the adoption of a commercialisation strategy will steer the council into new activities it needs to be rooted in the overall vision set out in the Corporate Plan – "Improving People's Lives". The proposed strategic objectives of the strategy are set out below:

1. We will target activity to promote social value
2. We will prioritise activities to generate a net profit, which can be used to support core services.
3. Our income generating activities should stimulate economic growth by creating employment.
4. Where appropriate, we will modify methods of service delivery to reduce costs to ensure we take a more commercial approach.
5. We will develop new skills in the organisation to create a modern council

Agreeing the objectives will not in itself guarantee success in generating additional income. Careful consideration will have to be given to creating the right organisational environment to nurture innovation and develop robust proposals. This will require active support from Cabinet members and senior managers, involving the following:

- Producing a framework to encourage the development of new propositions
- Capturing lessons learned ensuring they inform future actions
- Adopting a robust project management approach for the implementation of the programme.

Actively moving to adopt a more commercial approach to service delivery is an organisation wide leadership challenge. For this reason, the Chief Executive will lead this work, co-ordinating activity through the Modernised Council programme board.

### **Priority Opportunities**

In 2018 we commissioned a study to identify potential opportunities to form the basis of a commercialisation strategy. Essentially three strands of activity were identified:

- 1) Current services we could provide on a more commercial basis e.g Trade Waste
- 2) New services we could look to provide e.g energy services
- 3) Property investment – commercial and residential

Each of these streams of activity need to be examined in much greater detail with business cases developed for each proposition. If cabinet agrees the outline strategy today the detailed work will commence in due course.

We do however need to reflect on one immediate opportunity – commercial property investment. A proposed governance structure to manage the detailed decision making of investment is outlined below. Cabinet would also need to approve a set of detailed terms of reference and investment parameters for the Investment Board to operate under before any activity in this area. Firstly however, Council would need to approve this broad approach to commercialisation, understanding the high level risks and mitigation associated within it plus authorising the borrowing of funds for this specific purpose, if Cabinet recommends this approach.

Over the last few years, a number of councils have invested in commercial property, both within their municipal boundary and beyond. This generates a rental income, which can be used to support ongoing service delivery. There are numerous commercial property opportunities within Newport and the council should be in a position to invest to help our ongoing budget challenge.

### **Governance**

This part of the report will cover two issues:

- 1) Proposal to create an Investment Board with immediate effect to oversee the development of a property investment portfolio.
- 2) Authority to commission a feasibility study to create a trading company to deliver services aimed at creating a profit in line with the strategic objectives set out earlier in this report.

## Investment Board

Developing a property investment portfolio requires appropriate oversight, with a clear process in place to exercise our responsibilities with regard to the use of public money.

The investment board should be responsible for the following:

- Ensuring that investment opportunities are thoroughly evaluated, that there is an appropriate balance between risk and reward and that the acquisition contributes to the overall aims of the strategy.
- Approving property investment acquisitions, property management expenditure, property investment disposals and the provision of finance to enable the council to purchase assets.
- Monitoring the progress made in respect of achieving an appropriately balanced and diversified portfolio of assets and its performance.

The Investment Board should prioritise property acquisitions within the Newport City Council municipal boundary but will have authority to invest outside Newport as well. Detailed terms of reference and investment parameters will need to be established for the Board to operate under. These will need developing and approval by Cabinet. It should be recognised that many authorities have now adopted this approach so we would not be doing anything outside the experience of local government.

The Investment Board will be a sub set of cabinet and function as a public committee with all the associated governance. The recommended membership is as follows:

Members:	Leader Deputy Leader Cabinet Members x3
Advisors:	Chief Executive Strategic Director (Place) Head of Regeneration, Investment & Housing Head of Law & Regulation (Monitoring Officer) Head of Finance (Section 151 Officer) Supported by NORSE as specialist professional advisors

Cabinet will have to decide the level of property investment fund required but a fund of £50m is recommended. The finance section of the report below outlines the issues which need to be considered in more detail.

## Establishment of a Trading Company

A number of councils have created trading companies through which commercial activities are managed. There are a number of issues to be considered here and the first step is to commission a feasibility study on the option of creating a trading company. Once this is done a further report will be presented to cabinet.

## **Financial Summary**

This report deals with a number of strands in the Council's approach to Commercialisation:

- (1) A feasibility study on the setting up of a trading company. This study could be funded from the Council's Invest to Save Fund and Cabinet are asked to authorise up to £100k for this purpose, managed by the Chief Executive.
- (2) The setting up of a property investment fund as an approach to generate income. This element, if approved, has significant financial impacts and potential inherent risks associated with it, including:
  - A significant increase in the Council's long-term debt and therefore any income generated would need to be sustained over that period as the 'capital financing costs' would be incurred, irrespective of what happens to the income generated
  - Potential uncertainty in the income generated. These are long term investments and therefore, the property market will change over that period which could introduce risk to the income being generated and/or value of the investment held. For example, whilst investment could have long term leases associated with them, over the long term, tenants could cease trading or enter into company voluntary arrangements to re-negotiate terms.

These will need to be set out to Council, in broad terms, when seeking approval to pursue this approach to commercialisation.

This approach and the taking of commercial risk also needs to be viewed alongside other financial liability's and risks the Council is currently exposed too (e.g. Friar's Walk, city centre regeneration loans and other financial incentives, repayable town centre development funding, home improvement loans) and may increase in the future as it pursue' other objectives, in particular the regeneration agenda. In the context of future uncertainty in funding and significant gap in the Council's MTFP, these are key issues to consider when approving this approach.

### **Links to Council Policies and Priorities**

The overall mission statement of Newport City Council is "Improving People's Lives". The report sets out a clear framework for developing a commercialisation strategy which will need to be aligned to the priorities set out in the corporate plan.

### **Options Available and considered**

Option 1 – Agree the recommendations and framework set out in the report and work towards developing a detailed commercialisation strategy.

Option 2 – Reject the recommendations and retain our current approach to financial sustainability

### **Preferred Option and Why**

Option 1: A number of councils have recognised the need to take more control of their financial position by engaging in activities, which generate additional income. The challenges we face are very significant, therefore we need to look to develop a strategic approach to help us build greater financial sustainability.

## **Comments of Chief Financial Officer**

The broad areas of this commercialisation strategy will require approval by full Council as part of its Capital Strategy. This is required under the Prudential Code, which the Council has a legal duty to adhere to. In this context, the Code requires the Council to be fully aware of the issues and risks around pursuing various commercial strategies and this is met by setting these out in the Capital Strategy. Council approves the Capital Strategy at least once per year and when there is a significant change.

In addition, the report confirms further work that will need to be completed in relation to setting out the Investment Boards terms of references and investment parameters before any activity in this area is undertaken.

Both of the above will provide an opportunity to consider further, and in more detail, the key issues and risk around the approach recommended here and key governance arrangements to manage this.

The financial summary in the main report above sets out some key issues & risks around the pursuit of a commercialisation strategy, in particular, pursuing a property investment fund approach. A key consideration of this Cabinet and Council both now and on-going will be the assessment of:

- (i) The risks and associated reward of the different projects that will come under this, in particular the commercial property element, and the Council's and Cabinet risk appetite for this
- (ii) The increased financial risks associated with this and the capacity to manage and absorb these so that core services to the public are not adversely affected. Key issues which Cabinet and Council will need to consider before progressing this strategy will include:
  - A significant increase in the Council's long term debt which this will entail. This will have to be funded, irrespective of what happens to the income, over a long term period
  - Managing and sustaining a significant increase in external income, which will be needed to underpin core services
  - Poor liquidity of these types of investments i.e. relatively long timeframe to sell / change these investments
  - Context – the current financial risks which the Council is already exposed to, mainly through its regeneration activities
  - Context – the future demand on its core capital programme to support core services and how that might be funded, potentially from further increased borrowing and further income generation

These issues will need to be managed through the appropriate governance arrangements and investment criteria which will need to be developed, as the report sets out. Cabinet and Council will need to understand the above in sufficient detail as the strategy is reviewed further and developed.

## **Comments of Monitoring Officer**

The proposed action is in accordance with the Council's legal powers under the Local Government Acts 1972, 2000 and 2003. The Council has a general power to invest for the purposes of discharging its functions or for prudent financial management under section 12 of the Local Government Act 2003 and can prudentially borrow for this purpose, subject to compliance with Prudential and Treasury Management Codes and the capital strategy. Any investment in property would be in accordance with the Council's general powers to acquire and dispose of property under sections 120 and 123 of the Local Government Act 1972. Any investment decisions would be an executive function for Cabinet and the

Investment Board would need to be established as a sub-committee of Cabinet, with delegated powers. Therefore, Cabinet would need to set the detailed terms of reference and parameters for the Board to take investment decisions. However, the establishment of the £50m investment fund and the commercialisation approach will require a change to the Council's capital strategy and this forms part of the policy framework under the constitution. Therefore, this will need to be approved by full Council, who will also need to agree the risk appetite and the long-term sustainability of the commercial investment strategy as an integral part of agreeing to the establishment of the fund. Any investment policy needs to have regard to the security and liquidity of any investments and the appropriate balance of risk and reward.

The Council has the power to establish or participate in trading companies under section 2 of the Local Government Act 1972 and section 95 of the Local Government Act 2003, in order to provide commercial services to the private sector.

### **Comments of Head of People and Business Change**

Under the Well-being of Future Generations Act (2015) the Council has a duty to have regard to the impact on future generations of decisions taken today, whilst applying the sustainability principles to those decisions – long term, prevention, integration, collaboration and involvement. The report rightly points out the potential impacts and risks associated with setting up a property investment fund. It is important to note that the Well-being of Future Generations Act does not prevent Local Authorities from taking well managed risk and it will be for Cabinet to recommend to Council the 'risk appetite' for this particular decision, taking into account the other financial and service delivery risks currently being managed, along with risk associated with any future decisions. As the report also states, there is already a financial risk due to the continuing budget pressures so there is no 'risk free' option.

The broader development of a commercialisation strategy and approach, as described within the report, supports general delivery against both the Corporate Plan and Well-being Objectives, with a focus on social value, support for core services, economic growth, more sustainable delivery methods and modernisation of the Council.

There are no specific human resources implications arising from this report, although the Local Authority should have regard to the skills and resources required to ensure the inherent risks associated with the proposal can be managed effectively.

### **Comments of Cabinet Member**

The Leader of the Council supports the proposals in this report.

### **Scrutiny Committees**

Scrutiny will comment on an on-going basis.

### **Equalities Impact Assessment and the Equalities Act 2010**

N/A

### **Children and Families (Wales) Measure**

N/A

### **Wellbeing of Future Generations (Wales) Act 2015**



The report seeks to address the requirements of the Well-being of Future Generations Act through implementation of a new commercialisation approach. The aim of this approach is to take well managed risks in order to off-set the long term impacts of continuing budget reductions. The risks associated with this are detailed within the report, as are the impacts of 'doing nothing'. The development of a commercialisation strategy and approach seeks to enable the Council to mitigate the on-going impacts of budget reductions on the long-term prospects of individuals, families and communities. Whilst the other sustainability principles are not explicitly addressed within the report, the commercialisation strategy will seek to address them through a focus on social value, economic growth and new ways of delivering services.

### **Crime and Disorder Act 1998**

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

### **Consultation**

### **Background Papers**

Dated: February 27<sup>th</sup> 2019





# Report

## Cabinet

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### Part 1

Date: 17 April 2019

Item No. 9

**Subject** Cabinet Work Programme

**Purpose** To report and agree the details of the Cabinet's Work Programme.

**Author** Cabinet Office Manager

**Ward** All Wards

**Summary** The purpose of a work programme is to enable Cabinet to organise and prioritise the reports and decisions that are brought to each meeting. Effective forward planning by Cabinet also impacts positively upon the Council's other Committees, in particular Scrutiny, because work needs to be coordinated on certain reports to ensure proper consultation takes place before a decision is taken.

The current work programme runs to June 2019, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Cabinet Office Manager brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

**Proposal** To agree the updated work programme.

**Action by** Cabinet Office Manager

**Timetable** Immediate

This report was prepared after consultation with:

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

## Background

The purpose of a work programme is to enable Cabinet to organise and prioritise the reports and decisions that are brought to each meeting. Effective forward planning by Cabinet also impacts positively upon the Council's other Committees, in particular Scrutiny, because work needs to be coordinated on certain reports to ensure proper consultation takes place before a decision is taken.

The Wales Audit Office's Corporate Assessment of Newport City Council, published in September 2013, highlighted the need to "strengthen committee work programming arrangements to ensure they are timely, meaningful, informative, transparent, balanced, monitored, and joined up". Since that report was published, these monthly reports have been introduced to provide Cabinet with regular updates on its work programme, and the opportunity to comment upon and shape its priorities as an executive group. The Democratic Services team have also been working to improve the links between this and other work programmes under its management (e.g. Council, Scrutiny, Audit) to ensure the various programmes are properly coordinated.

The current work programme runs to June 2019, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Cabinet Office Manager brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

## Financial Summary

There is no direct cost to adopting a programme of work.

## Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
No action taken	M	L	Work programming arrangements are in place to ensure they are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.	Head of Democratic Services
The process is not embraced by report authors and members	M	M	If there is proliferation of unplanned or late items, the opportunity to ensure work programming is timely, meaningful, informative, and transparent, balanced, monitored, and joined up will diminish	Head of Democratic Services

## Links to Council Policies and Priorities

These proposals will help the Council provide the best possible service to members and will provide information to the public and elected members.

### **Options Available and considered**

- To adopt the process and adopt or amend the work programme
- To consider any alternative proposals raised by Cabinet members
- To take no action

### **Preferred Option and Why**

To adopt the proposals which should help to ensure work programming arrangements are timely, meaningful, informative, and transparent, balanced, monitored, and joined up.

### **Comments of Chief Financial Officer**

There are no financial implications in adopting a programme of work.

### **Comments of Monitoring Officer**

There are no legal implications in adopting a programme of work.

### **Staffing Implications: Comments of Head of People and Business Change**

There are no specific staffing implications in adopting a programme of work.

### **Comments of Cabinet Member**

The Chair has approved the report for consideration by cabinet.

### **Local issues**

There are no local issues as this report relates to the Council's processes

### **Scrutiny Committees**

Monthly update reports allow the Scrutiny and Cabinet work programmes to be better coordinated. The Scrutiny team and Members are currently developing new ways of working through the new Committees, and continually reviewing the work programmes to focus more on risk, and ensure all scrutiny activity has a defined purpose and constructive outcome.

### **Equalities Impact Assessment and the Equalities Act 2010**

This does not apply to this procedural report.

### **Children and Families (Wales) Measure**

This procedural report does not impact on Children and Young People although certain reports contained in the programme may do and will need appropriate consultation and comment when they are presented to cabinet.

### **Wellbeing of Future Generations (Wales) Act 2015**

This is a procedural report but reports contained within the programme will need to show how consideration has been given to the five things public bodies need to think about to show they have applied the sustainable development principle put into place by the Act.

### **Crime and Disorder Act 1998**

This does not apply to this procedural report

### **Consultation**

As set out above

### **Background Papers**

[Newport City Council Corporate Assessment](#), Wales Audit Office (September 2013)

[Newport City Council – Corporate Assessment Follow Up 2015](#), Wales Audit Office (May 2015)

Dated: 28 March 2019

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**NEWPORT CITY COUNCIL: CABINET/COUNCIL WORK PROGRAMME**

<b>MEETING</b>	<b>AGENDA ITEMS</b>	<b>LEAD OFFICER</b>
<b>CABINET</b> <b>18-JUL-18</b>	Revenue Budget Monitor	HoF
	Welsh Language Annual Report	HP&BC
	Performance Update – Early Year End PI Analysis	HP&BC
	Strategic Equality Plan Annual Report	HP&BC
	Improvement Plan Quarter 4 Update	HP&BC
	City Centre Regeneration	SD – Place
	Work Programme	COM
<b>COUNCIL</b> <b>24-JUL-18</b>	City Centre/Maesglas PSPOs NNDR Relief Scheme	
<b>COUNCIL</b> <b>11-SEP-18</b>	Treasury Management Democratic Services Annual Reports Welsh Language Annual Report Strategic Equality Plan Annual Report Member/Officer Protocol Scrutiny Annual Report Standards Committee Annual Report Improvement Plan 2016-18	
<b>CABINET</b> <b>19-SEP-18</b>	Capital Programme Monitoring July 2018	HoF
	WAO Annual Improvement Report	HP&BC
	WAO Certificate of Compliance 1	HP&BC
	July Revenue Budget Monitor	HoF
	Corporate Risk Register Update	HP&BC
	Work Programme	COM
<b>CABINET</b> <b>17-OCT-18</b>	Final Year End Analysis of PIs (All Wales Data)	HP&BC
	WAO Annual Improvement Report	HP&BC
	WAO Scrutiny Fit for the Future Report	HP&BC
	Academic Results for Newport Schools	CEdO
	Independent Living Strategy 2017-2022	HA&CS
	Director of Social Services Annual Report	SD – People
	Work Programme	COM
<b>CABINET</b> <b>14-NOV-18</b>	<b>Meeting cancelled – reports moved to December/January cycles</b>	
<b>COUNCIL</b> <b>27-NOV-18</b>	Director of Social Services Annual Report	
<b>CABINET</b> <b>12-DEC-18</b>	Revenue Budget Monitor	HoF
	Capital Budget Monitor	HoF
	Revenue Budget and MTFP: Draft Proposals	HoF

	Treasury Management 6 monthly Report	HoF
	Corporate Risk Register Update	HP&BC
	WAO Certificate of Compliance 2	HP&BC
	PSB Summary Document (for information/awareness)	HP&BC
	Work Programme	COM
<b>CABINET</b> <b>16-JAN-19</b>	Mid-Year Analysis of PIs	HP&BC
	Verified Key Stage 4 and 5 Pupil Outcomes	CEdO
	PSB Summary Document (for information/awareness)	HP&BC
	Work Programme	COM
<b>COUNCIL</b> <b>29-JAN-19</b>	Mayoral Nomination 2019/20 Council Schedule of Meetings Treasury Management 6 monthly report Council Tax Reduction Scheme	
<b>CABINET</b> <b>13-FEB-19</b>	Revenue Budget Monitor	HoF
	Capital Budget Monitor	HoF
	2019/20 Budget and Medium Term Financial Projections	HoF
	2019/20 Capital Strategy and Treasury Management Strategy	
	Procurement Report on the Code of Practice	HoF
	Corporate Safeguarding	HC&YPS
	Market	SD – Place
	City Centre Masterplan	SD - Place
	Work Programme	COM
<b>COUNCIL</b> <b>26-FEB-19</b>	Budget and Medium Term Financial Plan High Street Rate Relief	
<b>CABINET</b> <b>13-MAR-19</b>	EAS Business Plan	CEdO
	Categorisation of Schools	CEdO
	Corporate Risk Register Update	HP&BC
	Welsh Government Transport White Paper	SD - Place
	City Centre Presentation (Part 2)	SD - Place
	Work Programme	COM
<b>CABINET</b> <b>17-APR-19</b>	Pay and Reward Policy	HP&BC
	Dying to Work Charter	HP&BC
	Children’s Charter – The Young Person’s Promise	HP&BC
	Commercialisation Strategy	CX
	Work Programme	COM
	PSB Summary Document (for information/awareness)	HP&BC
	City Centre Presentation (Part 2)	SD Place/HRIH



COUNCIL 30-APR-19	IRP Annual Report NNDR Rate Relief Pay and Reward Policy	
COUNCIL 14-MAY-19	AGM	
CABINET 22-MAY-19	Items TBC	
	Corporate Safeguarding	HC&FS
	Work Programme	COM
CABINET JUN-19	Corporate Risk Register Update	HP&BC
	Risk Management Strategy	HP&BC
	Air Quality Management Plan (Provisional – dependant on whether public consultation and engagement with stakeholders has been carried out)	HL&R
	Work Programme	COM

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## **One Newport Public Services Board (PSB)**

### **Summary of Business: 12 March 2019**

#### **104<sup>th</sup> Regiment Royal Artillery & Armed Forces Covenant**

The March meeting was held at Raglan Barracks, Newport.

Capt David Matthews of 104 Regiment provided an overview of activity at Raglan Barracks. The Regiment is keen to re-enforce its link with the city, support community initiatives and raise awareness of the Reserves. It was noted that Reservists' training gives them wide-ranging qualifications and skills development that can benefit employers.

Members noted links between the Regiment's work and Well-being Plan Interventions such as Strong Resilient Communities and Right Skills.

The Board also received a presentation on the Armed Forces Covenant, which is a promise from the nation ensuring that those who serve or have served in the Armed Forces, and their families, should be treated with fairness.

The Covenant is supported locally through Newport Armed Forces Forum which has military, statutory and third sector representation. A number of PSB partners have signed the Covenant and have projects in place to support the Armed Forces Community. The Covenant Fund can facilitate projects.

#### **Local Well-being Plan Delivery – Feedback from Intervention Leads**

Changes to Intervention Leads have been agreed:

- Will Godfrey to lead the Newport Offer
- Ceri Doyle to lead Sustainable Travel with Craig Lane

Intervention Leads provided updates on Well-being Plan delivery.

Members discussed communication and engaging effectively with the public and stakeholders in the work of the PSB, particularly its desire to focus on engaging effectively with young people and hearing their views.

#### **Newport Community Safety Engagement Hub**

Members gave their support to a proposed new Community Safety Engagement Hub at Malpas Fire Station. The Hub will provide a home for multi-agency Community Safety engagement (particularly anti-social behaviour) enabling partners to share information easily and support collaborative and preventative work.

## **Future Analysis Project**

The Board was updated on Futures Analysis work including outcomes from the PSB's Newport Futures Workshop. Intervention Boards will discuss the workshop findings and incorporate learning into delivery plans.

## **Scrutiny Letter**

Councillor Majid Rahman, Chair of the Scrutiny Performance Committee – Partnerships presented the committee's feedback on the Well-being Plan's Q2 performance reports.

Overall, the Committee were pleased with the engagement to date, while understanding that the Interventions are at different stages of progress.

The PSB will take forward the Committee's suggestions on performance reporting.

## **Cultural Sector & Well-being / British Transplant Games**

The British Transplant Games will take place in Newport from 25<sup>th</sup> and 28<sup>th</sup> July 2019. The PSB received a presentation on how the Games specifically and the cultural sector more generally contributes to the Well-being Plan.

The Games is a 4-day multi-sport and social event with circa 1,000 competitors (aged 2 to 80+) and circa 1,500 supporters. Events will take place at a number of city venues including Newport International Sports Village, Newport Centre, Rodney Parade, Newport Indoor Bowls Centre, Newport Squash Club, and Snooker Centre. The Games will support the local economy and demonstrate the quality of life that can be achieved after organ transplantation, with participation opportunities for transplantees locally.

PSB members noted opportunities for people to volunteer at the event.

## **Spatial Planning**

The Board received a presentation on the local development plan (LDP) process, expected outcomes and progress to date. The council is liaising with Cardiff Capital Region on a potential Strategic Development Plan.

## **PSB and Sub-Group Terms of Reference**

The Board has approved updated terms of reference (ToR) for the PSB and its sub-groups.

## **Healthy Boards Workshop**

PSB members have participated in a Healthy Boards Workshop, organised through Academi Wales, to consider how the PSB is currently working and any areas for improvement.

## **PSB Meetings and Papers**

One Newport PSB publishes its meeting papers and minutes online. View papers [here](#).

## **One Newport Bulletin**

One Newport issues a monthly bulletin containing a host of activities and events organised by partners across the city for people of all ages. View the latest bulletin [here](#).

### **Get Involved – Newport Citizen’s Panel**

The PSB welcomes the views of local people. One way to get involved is to join our Citizen’s panel and give us your opinions through quarterly questionnaires on issues, services and projects in the city. Find out more [here](#)

**Twitter:** Follow us [@onewport](#) **Website:** Visit us at <http://onewportlsb.newport.gov.uk/>

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