

Minutes



Cabinet

Date:	19 June 2019
Time:	4.00 pm
Present:	Councillors D Wilcox (Chair), P Cockeram, G Giles, D Harvey, D Mayer, R Truman and M Whitcutt
Apologies:	Councillors R Jeavons and J Mudd

1 **Declarations of Interest**

There were no Declarations of Interest.

2 **Minutes of the Last Meeting**

The minutes of the meeting held on 22 May 2019 were confirmed as a true record.

3 **Treasury Management Year End Report**

The Leader presented the report which identified the day to day and longer term strategic management of the Council's borrowing and investment activities.

The report dealt specifically with the activities for the previous financial year 2018/19 and assessed how the Council had adhered to the treasury management strategy set at the beginning of that financial year and the result of that against the various indicators and limits also set at that time.

The report had been presented to Audit Committee and will be presented to full Council in July.

Regarding borrowing activity, the Leader reported that:

- The Council maintained its internal borrowing situation as far as possible.
- £40m of borrowing was taken out about 2-3 weeks earlier than required, just before the financial year-end. This was for the re-financing of a Bond which matured in early April but due to Brexit uncertainties, which were significant at the end of March, and having taken advice from the Treasury Advisers a replacement loan was taken out a little early.
- The report detailed the level and impact of the current internal borrowing.
- Regarding investment activity:
- The Council continued to invest short term where cash-flow allowed which was done in accordance with those approved parties as per the strategy.

On the various treasury indicators and limits set for 2018/19, the report confirmed that the Council met all the conditions satisfactorily.

The Leader recommended the report to Council.

Decision:

Cabinet noted the contents of the report and agreed to present the report to July Council.

4 Corporate Risk Register Update

The Leader presented the report, the purpose of which was intended to provide Cabinet Members with the Quarter 4 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 Risk Register for Quarter 4.

In summary the changes to the Corporate Risk Register at the end of Quarter 4 showed there were 14 corporate risks consisting 5 high risks and 8 medium risks and 1 low risk.

Appendix 1 of the report provided Members with a summary of the risks and movement with the risk scores over the last year.

Appendix 2 of the report provided a detailed report of the Corporate Risk Register.

The Leader detailed the following issues:

In Quarter 4, three risks had their risk scores changed:

Risk 1 (Legislative Requirements)

- This risk was focused on the legislative changes with the Welsh Language Act, Well-being for Future Generations Act, Data Protection Act and Waste Management.
- The risk score had moved from 12 to 6 in quarter 4 to reflect the work that had been undertaken to comply with the Well-being for Future Generations Act.
- This risk will be reviewed in Quarter 1 of 2019/20 as part of a wider corporate risk assessment.

Risk 4 (Brexit)

- In the last Quarter the Council had made sufficient preparations for the initial Brexit deadline of 29th March 2019.
- With the National Government postponing Brexit to 31st October 2019 and the work undertaken by the Council to manage the threat of a No Deal Scenario has resulted in the Council reducing the score from 16 to 12.
- However, officers and this administration are remaining vigilant in monitoring the situation and will be prepared to increase its Brexit preparations should the situation change again.

Risk 5 (In Year Financial Management)

- This risk score moved from 8 (medium risk) to 4 (low risk) at the end of the financial year to reflect the overall underspend in the Council's budget.
- However, in light of the continuing demand pressures of key Council services in 2019/20 this risk will be reviewed and reflect the forecasted budget for the end of this financial year 2019/20.

The Leader confirmed the Corporate Risk Register for Quarter 4 was presented to the Council's Audit Committee on 6th June 2019 who noted the contents of the report and the risk management process.

The Audit Committee had also been informed that the Council was preparing a Risk Appetite Statement to support its overall Risk Management Policy; Audit Committee would welcome the opportunity to support the Cabinet and the Council in making this statement and to provide as necessary any comments and/or recommendations for Cabinet to consider.

Cllr Whitcutt queried whether the Brexit risk rating would change should Brexit not happen on the 31st October. The Chief Executive confirmed the risk register is a dynamic document which is constantly evaluated and will be updated as required.

Cllr Cockeram raised concern about the increased pressure on demand led services, in particular the issues associated with staff retention within domiciliary care. The Leader agreed to write to Welsh Government on this issue and to enquire what contingencies they have in place going forward.

Cabinet considered the following options:

1. To consider the contents of the Corporate Risk Register and request an update on the progress of actions taken to address the recommendations raised by the Audit Committee and Cabinet, in the Quarter three report.
2. To request further information or reject the contents of the risk register.

Decision:

Cabinet agreed Option 1.

5 Forecast Numbers of LAC

The Leader introduced the report, the aim of which was to ensure Cabinet is fully sighted on the expectations from Welsh Government for Children's Services and the challenges posed.

The Leader shared Welsh Government's expectation of a reduction in children looked after numbers across the Council.

The report confirmed that Newport has for many years worked consistently to safely care for children and young people and support them to remain with their families. Furthermore the Council has worked to develop and maintain a range of preventative services as well as crisis and intensive family support.

The number of children who became looked after in Newport was until 2017 steady and the per 10,000 rate was well below that of other Local Authorities. Since 2017 there has been a steady increase in those numbers.

The report confirmed there are increases across England and Wales driven by a range of factors as evidenced in the Care Crisis Review including:

- enduring austerity (poverty, rise in the use of food banks, loss of jobs)
- risk averse practice driven by media activity
- conflicting and sometimes misunderstood case law
- increased understanding of the impact of domestic abuse on children
- substance misuse and the impact on children and parents
- risks from Serious and Organised Crime

- increased numbers of unaccompanied asylum seeking children

For Newport all of the above factors are pertinent.

The First Minister for Wales's priority in reducing the numbers of children who are looked after across Wales, whilst well intentioned, requires firm interrogation and an understanding of all the nuances at both national and local level. Newport City Council's Children's Services are wholly committed to working safely with all children in Newport and ensuring they are able to lead happy and fulfilling lives as children and adults. Working with Welsh Government to understand the local picture and to ensure support can be fully resourced will be key to the setting of any targets associated with this work.

The Leader thanked the foster carers and council staff for their dedication of service to looked after children and confirmed that Welsh Government welcomed the input received at national level from Sally Jenkins, the Council's Head of Children and Young People's Services.

Decision:

Cabinet noted the report.

6 Work Programme

The Leader presented the Cabinet Work Programme.

Decision:

Cabinet agreed the updated programme.