

Decision Schedule



Cabinet

TO ALL MEMBERS OF NEWPORT CITY COUNCIL

Decision Schedule published on 23 July 2020

The following decisions were taken on 22 July 2020. They will become effective at Noon on 30 July 2020 with the exception of any particular decision(s), which is (are) the subject of a valid "call-in".

The deadline for submission of a 'Call-in' request form (available from Democratic Services) is 4.00 pm on 29 July 2020. Reports relating to staffing issues/confidential reports are not circulated to all Members of the Council as part of the consultation/call-in processes.

CAB 22/20

Revenue Budget Outturn 2019/2020

Options Considered/Reasons for Decision

Under difficult circumstances, the Council managed its overall revenue position within budget. As shown in appendix 2, the revenue outturn showed underspend of £2,062k prior to the approval of new reserve transfers requested by service areas, leaving a remaining underspend of £1,807k. Excluding schools, this represented a less than 1% variance against net budget.

The underspend increased by £377k since the January forecast and the broad issues that explain this were:

- Service areas had overspent by less than was forecasted (positive impact), specifically in the demand led areas of social care, and;
- Non-service budgets had underspent by less (negative impact) than forecast.

In the main, the outturn position followed the same pattern of over and under spending as reported throughout the financial year; overspending in service areas had been offset by under-spending in the non-service areas of (i) council tax benefit payments (ii) more council tax income and (iii) the general contingency budget.

The Council faced some unexpected costs during the last part of the financial year and it was fortunate that these were able to be accommodated within the overall budget. This was not solely due to the reduced levels of overspending in service areas referred to above but also because of the one off grant funding received by social care throughout the year. This unexpected income was included within the January forecast and the underspend increased further at year-end due to reduced activity and associated cost in the last quarter within adults social care.

The report compared the revenue outturn for the financial year ending 31 March 2020 with the budget and provided a summary statement of key issues, which had the potential to impact upon financial management in future years.

This report made recommendations to earmark the remaining underspend for the following future use; £400k for the implementation costs of an upgraded/ new financial system to ensure the Council has a stable financial system platform and £1,407k to the existing MTFP reserve to support achievement of the corporate plan and future budgetary challenges.

Appendix 1	Overall budget dashboard – March 2020
Appendix 2	Revenue summary monitor - March 2020
Appendix 3	Revenue summary monitor by activity - March 2020
Appendix 4	School balance outturn position
Appendix 5	2019/20 reserve movements
Appendix 5a	Reserve movements - summary including explanation
Appendix 6	Delivery of MTFP savings – March 2020

Decision:

That Cabinet:

1. Noted the outturn position, which was subject to audit and the major variances for the year (sections 1-3).
2. Approved use of the underspend as set out in section 5 of the report and note the resulting level of the Council's general and earmarked reserves.
3. Approved reserves transfers as set out in section 5.
4. Noted the school's outturn and the position on the individual and total school reserves, the HoF concern regarding this position and note, comment and approve on the next steps in this area in section 3; in particular for an enhanced Senior Leadership Team focus on this area.
5. Noted the other areas of budget pressures and challenges in section 1 and 2 and noted, commented and approved on the action required to manage these, in particular for an enhanced Senior Leadership Team focus on social care overspending.

Consultation

Corporate Management Team; Leader of the Council.

Implemented By: Cabinet

Implementation Timetable: Immediate

CAB 23/20

Capital Programme Outturn 2019/2020

Options Considered/Reasons for Decision

The Council had an extensive capital programme, investing across the authority in areas such as schools, heritage assets, energy efficiency schemes, invest to save programmes and investing in the regeneration of the city centre. This report updated the Cabinet on its capital programme and the outturn for the 2019/20 financial year.

The 2019/20 outturn position highlighted the following:

- £403k net underspend on completed projects.
- £8,445k underspend/slippage on in-progress projects requiring slippage of budget from 2019/20 into future years, representing 21% of the annual budget set in the last capital monitoring report brought to Cabinet in December.
- Additions to the capital programme of £16,308k and amendments (including 2019/20 underspends) of £1,135k, taking the overall programme 2019/20 to 2024/25 to £201,578.

Decision:

That Cabinet

1. Approved the additions to the Capital Programme requested in the report (Appendix A)
2. Approved slippage of £8,445k 2019/20 budget into future years, noting the re-profiling of the programme this gives rise to
3. Noted the available remaining capital resources ('headroom') until 2022/23

4. Noted the capital expenditure outturn position for 2019/20
5. Noted the balance of and approve the allocation of in-year capital receipts.

Consultation

Acting Chief Executive; Head of Finance; Monitoring Officer; Head of People and Business Change; Leader of the Council.

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 24/20

Treasury Management Covering the Financial Year 2019/2020

Options Considered/Reasons for Decision

In line with the agreed Treasury Management Strategy, the Council continued to be both a short-term investor of cash and borrower to manage day-to-day cash flows. Current forecasted indicated that in the future, temporary borrowing would continue to be required to fund normal day-to-day cash flow activities and longer-term borrowing would increase to fund new commitments in the current capital programme as well as the impact of reduced capacity for 'internal borrowing'.

During the financial year the Council's net borrowing increased by £17.2m from £136.6m at 31 March 2019 to £153.8m at 31 March 2020.

Investment value of £12.5m was above the £10m benchmark position, but at the end of March the Council undertook additional temporary borrowing to support the cash flow of providing grants to businesses affected by Covid-19.

All borrowing and investments undertaken during the financial year was expected and within the Council's agreed limits.

Decision:

That Cabinet:

1. Noted and provided comment on the Annual Report on Treasury Management for the Financial Year 2019/20.
2. Noted and provided comment that 2019/20 Prudential Indicators for Treasury Management were in line with those set by Council in February 2019.

Consultation

Strategic Director of Place; Leader of Council; Heads of Service.

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 25/20

May Revenue Budget Monitor

Options Considered/Reasons for Decision

Across Wales, the Covid-19 virus and associated lockdown measures had significant financial implications for the Council, both in terms of additional costs and loss of income.

The May 2020 revenue position forecasted an overspend of £5.4m. This was a significant overspend reflective of the issues explained within the report. Whilst there remained concerns around areas of continued, increasing demand in social services the key areas contributing to the forecast overspend were:

(i)	Unavoidable, continuing Covid-19 costs	£1,759k
(ii)	Loss of income attributable to the pandemic	£3,719k
(iii)	Undelivered 2020/21 budget savings	£1,140k
(iv)	Impact of on-going school budget overspending	£841k

As with any forecast at this stage of the year, there was an inherent uncertainty in assumptions made. This year there was the added complexity of uncertainty surrounding the ongoing impact of the Covid-19 pandemic. The situation would remain under continued review and forecasts adjusted as the position evolved.

An area of significant concern was the level of forecasted overspending across schools. Schools were currently forecasting an overspend of £1,954k and given the rate at which the schools reserves had reduced over the last 2-3 years these reserves were now insufficient to cover this level of forecast overspend in full. This caused problems for the Council in that a net £841k overspend as the forecasted negative reserve at the end of the financial year would need to be funded by other Council budgets or from other Council reserves. This would have on-going negative consequences as set out within the report.

Appendix 1	Overall budget dashboard – May 2020
Appendix 2	Revenue summary monitor – May 2020
Appendix 3	Schools funding and balances
Appendix 4	Planned movement in reserves

Decision:

That Cabinet

- Noted the overall budget forecast position and the significant overspending within service areas which was predominately resulting from the on-going pandemic and action currently in progress to address some issues;
- Noted the planning assumptions within the forecast position and in particular, the uncertainty around (i) the ongoing impact that Covid would have upon service areas and (ii) funding support available from Welsh Government (WG) beyond quarter one of the financial year;
- Noted the level of undelivered savings within each directorate and the risks associated with this;
- Noted the forecast movements in reserves;
- Noted the very significant financial challenges facing schools and the serious impact it was likely to have on the Councils other revenue budgets and reserves.
- Noted the action currently in progress and the HoF comments on the seriousness of this position.

Consultation

Head of Law & Regulation; Head of Finance; Head of People & Business Change

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 26/20

Newport City Council's School Recovery Programme (Covid 19)

Options Considered/Reasons for Decision

The Covid 19 health emergency posed significant and unprecedented challenge to the way we deliver our services and our way of life. Since March 2020, the Council's focus was to preserve life, minimise the spread of the virus and support our communities and the vulnerable. Schools partially reopened on 29th June 2020 in order to prepare pupils to for the new academic year.

A priority was that the council worked with communities to build their confidence in returning as many learners to school as possible.

Decision:

That Cabinet to approved and endorsed the School Recovery Programme

Consultation

Head of Law & Regulation; Head of Finance; Head of People & Business Change

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 27/20

Western Gateway – The Newport Perspective

Options Considered/Reasons for Decision

The Western Gateway was a recently established strategic partnership that aimed to deliver an economic powerhouse, driving growth on both sides of the Severn. As one of five cities, Newport was expected to be a key player in the success of the Western Gateway and capitalise on the benefits of greater collaboration.

Overall the Western Gateway presented Newport with an opportunity to be part of a strong strategic partnership which would help our businesses and industries collaborate and share innovation on a regional basis. Achieving such benefits on our own would be impossible but through partnership working, greater opportunities arise and Newport's economic growth ambitions to become much more achievable and realistic.

Decision:

That cabinet noted the content of the report and supported Newport's continuing involvement with the Western Gateway.

Consultation

Head of Law & Regulation; Head of Finance; Head of People & Business Change

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 28/20

Strategic Recovery Aims – Governance and Democratic Arrangements

Options Considered/Reasons for Decision

Cabinet meeting on 25th June agreed a number of Strategic Recovery Aims, which would underpin the corporate priorities as the Council moved into the recovery phase following the relaxation of the Covid-19 restrictions. This recognised that, for the immediate future, the “new normal” would require significant changes to the way in which services had been traditionally delivered and the Council’s internal democratic and governance arrangements. Officers and elected Members would need to be able to discharge their duties safely and this would require a continuing need to work remotely in the longer term.

Therefore, this report set out proposals for the phased introduction of remote Council meetings, recommended protocols and procedures for the conduct and management of these meetings and a training and development programme for members to ensure that they were able to participate fully in these revised governance arrangements

Decision:

That Cabinet approved and endorsed revised governance and democratic arrangements for the Covid-19 recovery period and endorsed the proposed procedures for the conduct of remote meetings.

Consultation

Head of Law & Regulation; Head of Finance; Head of People & Business Change

Implemented By: Cabinet
Implementation Timetable: Immediate

CAB 29/20

Strategic Equality Plan 2020/2024

Options Considered/Reasons for Decision

Under the Equality Act (2010) the Council was required to publish a Strategic Equality Plan every 4 years, including a number of strategic equality objectives. Objectives should be based on local and national evidence of inequality, the authority’s own equality data, and consultation undertaken with key stakeholders, including people that share protected characteristics. This was the third Strategic Equality Plan, and built on progress already made, whilst taking a more outcome-focussed approach to delivery of clearly defined objectives. The statutory deadline for publishing of the Strategic Equality Plan was 31 March. The Equality and Human Rights Commission (regulatory body) had notified public sector bodies who were subject to regulations under the Equality Act 2010 that the publishing of a draft document was sufficient in the context of the Covid-19 pandemic. Therefore, the council published a draft Strategic Equality Plan online on 31 March.

The council recognised that since March, the equality landscape had been impacted significantly by the Covid19 pandemic and Black Lives Matter movement. The Strategic Equality Plan was a long term, high level document which provided overarching objectives with sufficient flexibility to

adapt to changing priorities. The delivery plan which underpinned this Strategic document would reflect ongoing work relating to equality in these areas.

Decision:

That cabinet approved the attached Strategic Equality Plan prior to presentation at Council

Consultation

Head of Law & Regulation; Head of Finance; Head of People & Business Change

Implemented By: Cabinet

Implementation Timetable: Immediate

Signed:

COUNCILLOR JANE MUDD, CHAIR OF THE CABINET

Date:

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