

Decision Schedule

Cabinet

TO ALL MEMBERS OF NEWPORT CITY COUNCIL

Decision Schedule published on 14 January 2022

The Chair of Cabinet Member took the following decision on 14 January 2022. The decision will become effective at Noon on 22 January 2022, with the exception of any particular decision, which is the subject of a valid "call-in".

The deadline for submission of a 'Call-in' request form is 4.00 pm on 21 January 2022.

Reports relating to staffing issues/Confidential reports are not circulated to all members of the Council as part of the consultation/call-in processes.

Leader 01/22

Budget and Medium Term Financial Plan (MTFP) 2022/23

Options Considered/Reasons for Decision

The above report presented the draft budget proposals for 2022/23 and the key priorities for investment which the better-than-expected settlement provided, namely:

- School's funding
- Early Intervention and Prevention activities / services
- City Centre

The Council received details of its draft 'Revenue Support Grant' (RSG) on 21 December 2021 and therefore was only able to work through final details of the draft budget after this time. This resulted in a slightly later start to budget consultation but the remaining budget-setting timetable was adjusted to maximise the time available for consultation. Residents, service users and stakeholders, such as the independent Fairness Commission, would have four full weeks to take part in the consultation.

Details of the budget were shown within this report and in contrast to previous years there were no new savings proposals for consultation at this stage. The report, along with the appendices, set out the draft budget pressures / investments and increase in local council tax, which were the key elements of the proposed budget to ensure it was sustainable and able to maintain and develop key services for the city and its residents.

A 'balance in hand' was still shown and was unavoidable due to the late settlement, further work is on-going to identify appropriate budget choices within the key priorities shown above, to include and dovetail the use of the current year's underspends in those areas and other investments for the city and manage the risk to the Council's finances from on-going pandemic impacts.

Section:

1. Background
2. Setting the budget
3. Financial planning assumptions
4. Budget savings

5. Budget process and consultation
6. Risk, financial resilience, and performance
7. Report review and statutory comments

Appendix:

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| Appendix 1 | Budget investments |
| Appendix 2 | Budget savings previously approved |
| Appendix 3 | Demand models for social care |
| Appendix 4 | Fees & charges for consultation |
| Appendix 5 | Financial resilience 'snapshot' |
| Appendix 6 | Medium term financial projections |
| Appendix 7 | Projected earmarked reserves |
| Appendix 8 | Corporate risk register summary - Quarter 2 |

Decision

1. Cabinet agreed the following draft proposals for public consultation:
 - i) A council tax increase of 3.7%, a weekly increase of £0.59 - £0.79 for properties in Band A to C, the most common bands in Newport, as set out in paragraphs 3.21.
 - ii) Proposed fees and charges in appendix 4.
 - iii) The budget investments shown in appendix 1.
 - iv) The budget investment provision in schools of up to £8,003k, noting this would fully fund the planning assumption on teacher's pay at 4% from September 2022 plus the cost of new/expanding school provision as noted in paragraph 3.11 – 3.18. Specifically on the teacher's pay, given the uncertainty surrounding teachers' pay from September 2022 provision of up to 4% was proposed and would be held centrally until confirmation of the pay award was received. Cabinet agreed to confirm and finalise this when there was certainty with the intention of retaining the objective described above in fully funding the September pay increase, within the funding provision available.
2. Cabinet noted:
 - v) The position on developing a balanced budget for 2022/23 and considering the late announcement of the 2022/23 RSG funding, acknowledge that the position would be subject to ongoing review and updates between now and the February Cabinet when the final budget was agreed.
 - vi) The medium-term financial projections, assumptions contained within and those projections contained investment required to finalise the implementation the Corporate Plan promises.
 - vii) The need to prioritise the development of a 'strategic change programme' to develop a long-term sustainable financial footing for services.
 - viii) Further work was required to specifically review and manage the financial impacts of some key risks in 2022/23, such as Covid related costs and income losses.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Head of Finance
Implementation Timetable: Immediate

Leader 02/22

November Revenue Budget Monitor

Options Considered/Reasons for Decision

The November 2021 revenue position forecasted an underspend of £10,023k after taking account of a new reserve request (£563k) which Cabinet was asked to approve as it was an integral part of the 2022/23 budget proposals. This forecast was inclusive of the continued financial impact of the COVID-19 pandemic and assumed full reimbursement of all significant costs and lost income during the entirety of the year. This followed confirmation from Welsh Government that the Hardship Fund would remain available until March 2022.

Although there was an overall underspend being forecast, some service areas reported overspends against specific activities. In previous years these overspends related to demand-led activity areas, such as Social Services, however overspending this year was evident across both the People and Place Directorates. Given the inherent risks within demand led areas there was the potential that forecasts in some areas could worsen should demand levels increase.

More than offsetting these specific pressures were projected underspends in relation to capital financing, the general contingency budget, the Council Tax Reduction Scheme (CTRS), Council Tax surplus and other non-service budget headings. A number of these underspends were one-off in nature and would not necessarily recur in future years.

The key areas contributing to the overall position were:

(i)	Undelivered 2021/22 and prior year budget savings	£556k
(ii)	Key demand led areas across Social Services	£225k
(iii)	Staffing and other service area underspends	(£5,154k)
(iv)	Capital Financing	(£2,739k)
(v)	General Contingency	(£1,373k)
(vi)	CTRS and Council Tax surplus	(£878k)
(vii)	Other non-service	(£660k)

As reported in recent months to Cabinet, the position in relation to schools was different in comparison to previous years, due to the higher level of surplus balances carried forward from 2020/21. To some extent, these balances were being utilised during 2021/22, which was reflected by the projected £2,564k overspend, however, the overall level of balances anticipated to be carried forward into the 2022/23 financial year remained higher than in recent years. Despite this, thorough monitoring needed to be maintained in this area, as four schools reported a deficit position at year end, and there was a possibility that this overall healthier position was only a temporary one.

The appendices to the report were as follows:

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

Decision

Cabinet was asked to:

- Note the overall budget forecast position and for an underspend position to exist at the end of the financial year.
- Approve the creation of a £563k specific earmarked reserve from this year's underspend to support increased demand on adult learning disability budgets in 2022/23.

- Note and ask the Chief Executive and Directors team to implement currently undelivered savings as soon as was practically possible and appropriate to do so, noting the on-going risks associated with these current delays and the current context.
- Note the continued financial challenges being experienced by certain, demand-led, services and the need for robust financial management in these areas, as well as the level of currently unachieved budget savings.
- Note the risks identified throughout the report and in the Head of Finance comments, particularly in relation to future years and the lasting impacts of the pandemic.
- Note the forecast movements in reserves.
- Note the improved overall position in relation to schools, when compared to previous years, but also note the remaining deficit positions for some schools and the risk of past issues re-emerging if good financial planning and management was not undertaken.

Action by

Cabinet Members / Head of Finance / Corporate Management Team:

- Heads of Services continued to keep under review the key risk cost areas and taking action, with Cabinet Members, to move towards balanced positions for those budgets currently projected to overspend.
- Directors team / Heads of Services delivered agreed 2021/22 budget savings as soon as practically possible.
- Heads of Services and budget holders closely monitored the impact of new pandemic related restrictions, the likelihood of their continuation into next financial year and their financial consequence in the absence of a hardship fund.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Head of People, Policy and Transformation

Implementation Timetable: Immediate

Leader 03/22

Capital Programme Monitoring and Additions – November 2022

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 was built on an iterative approval of capital expenditure through the year and commonly referenced the changes made to the proposed programme since last formally considered by members in September 2021.

This November 2021 monitoring position highlighted the following:

- The adjusted budget reported in September was £65.985m for 2021/22
- Net additions (in the form of new schemes) and amendments (commonly where grant awards were revised) since then totalled of £1.356m
- Between September and November, further slippage (£9.81m) was indicated by service managers and necessitated the transfer of scheme budgets from 2021/22 and 2022/23
- This resulted in an adjusted budget in this report of £57.53m
- Against this revised budget, a net £51k overspend forecast was currently evident, predominantly education schemes, and for which specific grant funding was being requested. Should that grant funding not be forthcoming, for Education, these overspends would be absorbed within the recent Education Maintenance Grant award, and for other departments

they would be absorbed within the respective general repair (annual sums) allocations, to derive a nil variance ultimately.

Decision

That Cabinet:

1. Approved the additions and amendments to the capital programme (Appendix A), including the use of reserves and capital receipts requested in the report
2. Approved slippage/re-profiling of £9,811k into future years
3. Noted the update on the remaining capital resources ('headroom') up to and including 2022/23
4. Noted the capital expenditure forecast position as at November 2021

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Head of People, Policy and Transformation

Implementation Timetable: Immediate

Leader 04/22

Adoption of the Welsh National Themes, Outcomes and Measures (TOMs) Framework for Measuring Social Value

Options Considered/Reasons for Decision

The TOMs for social value was a measurement framework that allowed for an unlocking of social value through its integration into procurement and project management. The methodology was developed in conjunction with the WLGA National Procurement Network and the National Social Value Task Force Wales, which was a cross-sector working group combining both public and private sector organisations. The original English TOMs framework was the result of extensive consultation across local authorities and public-sector organisations, including the Local Government Association, Office of Civil Society and Crown Commercial Services. The English TOMs framework was designed around five principal issues, 20 Core Outcomes and 48 Core Measures.

Adopting the framework would support the Council in the delivery of social value, supports our climate change work and assist in the reporting of compliance with the Wellbeing of Future Generations (Wales) Act 2015.

Decision

That Cabinet approved the adoption of the Welsh National TOMs as the overarching framework for measuring social value delivery through Commissioning, Procurement and Contract Management.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Director of Transformation and Corporate Services

Implementation Timetable: Immediate

Leader 05/22

Mid-Year Performance Analysis – 2020/21

Options Considered/Reasons for Decision

Newport Council's Corporate Plan 2017-22 identified four Well-being Objectives. To support the delivery of the Corporate Plan, the Council's eight service areas developed their service plans which outlined how they would support and deliver the Council's objectives. This report provided an overview of the Council's performance across its eight service areas for the six-month period between April and September 2021. In summary:

- Project Delivery: 47 out of 61 projects reported green and on target for completion with 13 amber and one red
- Service Objectives / Actions: 69% (220) actions reported green and on target to complete with 19% of actions reporting red (2%) and amber (17%)
- Performance Measures: 63% of measures reported green with 20% reporting amber and 13% reporting Red.

Decision

That Cabinet considered the contents of the report noting the performance of the Council's service areas acknowledging where the Council was performing well and addressing areas of underperformance with Directors and Heads of Service.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Strategic Director of Social Services

Implementation Timetable: Immediate

Leader 06/22

Implementing the South East Wales Corporate Joint Committee

Options Considered/Reasons for Decision

This was a common report being presented to all of the constituent local authorities forming the Southeast Wales Corporate Joint Committee (CJC) to provide an update on the implementation process in order to meet the legislative requirements of the Local Government and Elections (Wales) Act 2021.

The common report set out an interim governance and delivery model sufficient to implement the statutory requirements for establishment of the CJC. This involved a 'twin-track' approach to operating the Cardiff Capital Region (CCR) City Deal alongside the initial 'bare minimum' phase of CJC mobilisation ahead of the CJC setting its first statutory budget on 31 January 2022.

This common report also set out the next phases of progress in line with resolving the current barriers to full implementation of an integrated 'lift and shift' approach which sought to eventually, bring together the CCR City Deal and the CJC into one coherent model of regional economic governance.

Decision

Cabinet was asked to:

- (a) Note the interim governance and delivery model for implementation of the SE Wales Corporate Joint Committee and the 'twin track' arrangements proposed across operation of CCR City Deal, alongside initial enactment of a 'bare minimum' CJC – and until such time the proposed 'lift and shift' approach can occur.
- (b) Note the requirement for the CJC to set and approve a budget on or before 31 January 2022 and the steps set out in the report to enable this.
- (c) Note the risks and issues set out in the report which required ongoing monitoring, mitigation and management.
- (d) Note the request made by CCR of Welsh Government to amend the CJC Regulations to change the date on which immediate duties commenced under the Regulations from 28 February 2022 to 30 June 2022.
- (e) Note the draft Standing Orders at [Appendix 1](#) which set out the initial requirements and operating model for the CJC as well as initial business for the inaugural meeting on 31 January 2022
- (f) Note the work ongoing by CCR and its constituent Councils to work with Welsh Government, Audit Wales and advisors as appropriate, to help inform resolution of the remaining issues wherever possible.
- (g) Note that the Leader would represent the Council on the SE Wales CJC and that they would have a duty to consider and set their first budget at their inaugural meeting on 31 January 2022, in order to ensure that the Council was complying with the legislation as required.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Director of Transformation and Corporate Services
Implementation Timetable: Immediate

Leader 07/22

Welsh in Education Strategic Plan (WESP) 2022/23

Options Considered/Reasons for Decision

The School Standards and Organisation (Wales) Act 2013 required local authorities to prepare a Welsh in Education Strategic Plan (WESP) and outlined that the Plan must contain:

- A local authority's proposals on how it carried out its education functions to improve the planning of the provision of education through the medium of Welsh in its area and improve the standards of Welsh-medium education and of the teaching of Welsh in its area,
- The local authority's targets for improving the planning of the provision of Welsh-medium education in its area and for improving the standards of that education and of the teaching of Welsh in its area, and
- Report on the progress made to meet the targets contained in the previous Plan or previous revised Plan.

The Act also required each local authority to submit its WESP to Welsh Ministers for approval prior to implementation. The WESP was subject to extensive consultation with key stakeholders and the public, and the final plan must be submitted to Welsh Government by 31 January 2022.

Decision

That Cabinet considered the feedback received during the formal consultation and approved that the WESP be submitted to Welsh Government for consideration, with a view to the new Plan being implemented from September 2022.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Chief Executive and Head of People, Policy and Transformation
Implementation Timetable: Immediate

Leader 08/22

Covid 19 – Response and Recovery Update

Options Considered/Reasons for Decision

Since the last report in December, the threat of community spread of the Omicron variant increased. In response to this threat, the Welsh Government reintroduced restrictions to mitigate this spread over the festive period and into the new year. These restrictions included schools and office social distancing, entertainment and hospitality venues.

The Council's Gold team was monitoring the situation and as necessary complied with the changes announced by the Welsh Government. Council staff also volunteered to support the NHS in the delivery of its vaccination / Booster programme. There was a risk to the delivery of Council services should it also experience increased number of cases of staff self-isolating.

The report also included a summary of activity across Council services in December 2021.

Decision

Cabinet considered and noted the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Director of Transformation and Corporate Services
Implementation Timetable: Immediate

Leader 09/22

Post Brexit Update for Newport City Council

Options Considered/Reasons for Decision

It was over a year since the UK left the European Union and Single Market on 31 December 2020. Over the course of the year the UK saw significant impacts across its economy affecting trade,

employment and cost of living for households. In Newport and Wales these impacts were affecting low-income households with the cost of living due to increases in the cost of food, goods and energy prices. In response the Council's Cabinet committed £100k to support food banks in Newport. The Welsh Government also announced a £51.7m Winter package giving households on certain benefits a contribution to mitigate some of these costs.

Newport Council continued to face ongoing pressures on the cost of goods and services as increases in costs were being passed onto the consumer. The Council alongside other sectors were also facing pressures on staffing and recruiting staff into key roles especially in Social Services, housing and support and City Services.

Since the deadline passed for EU and EEA citizens to apply for EU Settled Status, the Home Office (31 October 2021) received 6.2m applications and concluded 5.9m applications. 52% of applications were granted Settled status with 42% granted Pre-settled Status. The remaining 7% were either been refused, withdrawn or invalid claims. There was no data available for the current status of claims in Newport.

Decision

To consider and note the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.

Consultation

Monitoring Officer, Head of Finance, Head of People and Business Change

Implemented by: Chief Executive and Head of People, Policy and Transformation
Implementation Timetable: Immediate

Leader 10/22

Cabinet Work Programme

Options Considered/Reasons for Decision

The Leader presented the Cabinet Work Programme.

Decision

Cabinet agreed the Cabinet Work Programme.

Consultation

Senior Officers, Monitoring Officer, Head of Finance, Head of People and Business Change.

Implemented by: Governance Team Leader
Implementation Timetable: Immediate

LEADER OF THE COUNCIL, COUNCILLOR J MUDD

14 January 2022

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