

Minutes



Cabinet

Date: 14 January 2022

Time: 10.00 am

Present: Councillors Councillor J Mudd (Chair), Councillor R Jeavons, J Hughes, P Cockeram, D Harvey, D Mayer and D Davies

1 Apologies for Absence

Councillor Truman.

2 Declarations of Interest

None received.

3 Minutes of the Last Meeting

The Minutes of 15 December 2021 were accepted as a true record.

4 Revenue Draft Budget and Medium-Term Financial Plan (MTFP): Final Proposals 2022/23

The Leader presented the report to Cabinet Member colleagues. The report highlighted the key issues affecting the development of the Council's 2022/23 budget and Medium-Term Financial Plan. Cabinet was therefore asked to agree the proposals to enable the commencement of the 2022/23 budget consultation process.

It was noted by the Leader that there were no new budget savings for consultation and no requirement for new or additional savings for us to balance the overall budget for next year. This was an exceptional position that in which the Council found itself in comparison to previous years, this was thanks to the favourable draft settlement received from Welsh Government at the end of last year.

There was currently a balance in hand for the 2022/23 financial year, this is unavoidable due to the late settlement. There remained, however, further work to identify appropriate investment as set out within its key priorities.

Overall, the draft budget included investment of almost £26m in 2022/23 and £47m over the medium term. This included pay and pricing inflation, however the Leader took the opportunity to specifically mention the areas of investment that herself and Cabinet colleagues believed were the areas in need as well as areas which saw further investment following the better-than-expected settlement:

This budget proposed investment in schools of up to £8m in 22/23, which represented a 7.3% growth in schools' budget, and up to £17.5m over the next three years. The 22/23 investment represented an additional £2m over and above pay and pricing inflationary

increases with the costs associated with new and growing schools. This would increase the per pupil funding amount and all schools would experience the benefit of this. The Leader gave her personal thanks and that of Cabinet, for the professionalism and commitment shown by schools-based staff over the last two years. Staff worked tirelessly since the start of the pandemic to adapt to changes in teaching and learning and should be commended for their efforts.

The Leader mentioned further investment proposals for early intervention and prevention to alleviate the pressures that Councils continued to face within both education and social care settings. This included investment to create additional capacity within the safeguarding hub to support families, providing additional resource and to support a proactive approach into assessing and supporting vulnerable pupils.

Consideration was also given to other targeted investments which might impact on support given to vulnerable families and individuals, as the Council continued to manage the impact of the pandemic. These would be announced in the final budget.

Consideration was also being given to investments which would impact on the city centre and the businesses within it. In particular, promotion of the city, marketing, inward investment, co-ordination of activities and events, tourism, and the general environment in and around the city centre. These would also be announced in the final budget

The Council was currently planning to invest around £9.5m in the draft budget over and above an allowance for pay and pricing inflation and the details of these could be found within appendix 1 of the report. Some of the key items included:

- £3.2m for Real Living Wage for care workers and the increase in National insurance contributions
- £1.4m for increasing demand in both children and adult services
- Almost £900k additional funding for free school meals provision.

Over £700k provision to support Welsh Governments directive to ensure that there were no rough sleepers in Newport. The Council had delivered a huge amount of support to rough sleepers and found accommodation to many individuals and families who found themselves in a difficult place. This investment would enable the Council to provide continued support.

Further detailed investments would be agreed at the final budget in the Cabinet's February meeting feedback from consultation would be considered. Cabinet was interested to hear views on its three key priority areas of schools, early intervention and the city, as well as feedback on specific budget investments. In addition, as well as the on-going investment in the revenue budget which the final budget would confirm, the Cabinet would also identify one-off investments in these and other key areas, funded from the current year's underspend. This would also include provision for covid risk in terms of the likely impact from the pandemic once the Welsh Government Hardship Fund came to an end in March 2022 as this would also require appropriate mitigation.

Finally, a 3.7% council tax increase was proposed for consultation. This was a weekly increase of £0.59 - £0.79 for properties in Band A to C, which were the most common bands in Newport.

The settlement received had allowed the Council to invest and increase funding in key services and more information would be announced in the final budget, but Council Tax was an important factor in that also.

Newport continued to have one of the lowest tax rates in Wales and across the UK as it continued to increase across most Councils.

Comments of Cabinet Members:

- Councillor Davies supported the Leader's comments regarding the hard work and professionalism of staff seen in schools across Newport, in ensuring that children were kept safe. The Cabinet Member was mindful that the hardship grant would end in March and was uncertain of the legacy that Covid would have on children, although they had suffered because of the impact. Isolation and deprivation meant that children were struggling, and this would not change due to the high cost of living taking its toll. Schools were the hub of the community, making sure that children were being supported through learning and being clothed and fed at home. The need therefore for £8M in the budget for Education was welcomed.
- Councillor Cockeram echoed the Cabinet Members comments regarding the impact on mental health in children during lock down. The £9.5M investment in safeguarding hubs which were improving with partnerships in place. The Cabinet Member also invited the Leader to visit the hub to see how the hub operated at some point in the future, when it was safe to do so. The Leader would be delighted to join the Cabinet Member in visiting the site as it was critical to support the residents of Newport.
- Councillor Hughes passed on his sympathy to family of Councillor Peter Clark from Monmouthshire on behalf of Newport City Council and Cabinet. The Cabinet Member and also a social worker welcomed the commitment to a living wage during these challenging times. It showed that the Council was listening and contributing to key services as well as supporting the residents of Newport.
- Councillor Jeavons referred to the months of schooling missed by children came at a price to parents and carers too and welcomed the proposals outlined in the budget to support this.
- Councillor Harvey considered that full Council would see that this was a good budget and thanked school staff and pupils who had been affected during this very difficult time and therefore supported the budget moving forward.

The Leader added that there were still decisions to be made but that these would be made with the feedback from members of the public. There were no proposed increases in licenses for Taxi drivers, catering business or for groups that used sporting facilities. This budget was based on the support for all our families in Newport.

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.

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.

5 Revenue Budget Monitor

The Leader presented the report highlighting the forecasted position on the Council's revenue budget along with the financial risks and opportunities that presented themselves as at November 2021.

Against a net budget of £316million, the November revenue position currently forecasted an underspend of £10 million, after taking account of a new reserve request, representing a 3% variance against budget. This position was inclusive of the continued financial impact of the COVID-19 pandemic and assumed full reimbursement of all significant costs and lost income for the remainder of the year. This followed confirmation from WG that the Hardship Fund would be available until March 2022.

The Leader went on to explain that although service areas were reporting an underspend against the budget resulting from difficulties/ delays in recruitment, covid related activities being reimbursed by the Hardship Fund and additional grant income within both Children and Adult Services, much of the underspend originated from non-service budgets, such as savings against:

- (i) capital financing budget,
- (ii) Council Tax Reduction Scheme and Council Tax collection,
- (iii) the revenue contingency budget, which was currently not needed, and
- (iv) some other non-service budgets which were not committed currently. These together produced the £10m underspend.

Some individual areas however, continued to overspend against specific activities, details of which were set out within the report. In previous years, these overspends related to demand-led activity areas, such as Social Services, however the last couple of years were not a true representation of the challenges faced in these areas due to the pandemic and the reimbursement of additional costs received from the Hardship Fund. Given the uncertainty in these areas, there was a risk that in year demand levels may change from current forecasts, with a potential for the forecast underspend to increase further. This did not mean that the Council did not spend the money; but meant it would be spent later.

The key areas contributing to the £10million forecast position included:

- (i) Increased costs in respect of dealing with 'ash die-back', increased insurance premiums and the remedial works required across the commercial and industrial

estate. The anticipated overspend in areas of emerging risk was expected to be short of £1 million by the end of the financial year.

- (ii) An anticipated shortfall against the delivery of 2021/22 and prior year savings of almost £600k, largely due to delays in progressing the necessary actions, mostly due to the pandemic. Whilst the level of unachieved savings in relation to the current financial year was lower than in previous years, there remained a need to ensure that all savings were delivered, in full, as soon as possible and officers continued to take action to ensure these were delivered from the earliest opportunity.
- (iii) There was a forecast underspend of £2.7million in relation to the Capital Financing budget. As part of the budget setting for 2021/22, the capital financing costs of the current capital programme, which ends in 2022/23, were funded up front. This resulted in a saving within the Minimum Revenue Provision budget and the interest payable costs, as this budget was not yet required. This underspend was known and understood when the budget was agreed in March of this year.
- (iv) Savings of approximately £900k were also expected against the council tax reduction scheme budget due to a lower number of council tax benefit claimants than expected and council tax collection.
- (v) Furthermore, given that an underspend position was anticipated at this stage of the year there was no requirement to utilise the council's general revenue budget contingency of £1.3million therefore adding to the non-service underspend.

Schools were anticipating a net overspend of £2.6million, after allowing for reimbursement of eligible expenditure and lost income from the Hardship Fund.

It was noted however that schools carried forward significantly higher balances at the end of the 2020/21 financial year, compared with previous years. This higher level of balances was primarily the product of Welsh Government grants issued towards the end of the last financial year, which offset spend that schools had already budgeted for. As a result, schools carried forward higher than anticipated balances, which, in most individual cases, would be more than sufficient in offsetting the overspends being reported.

In comparison to previous years, only four schools were projecting to hold deficit balances, totalling £919k, with two of those expecting to be smaller than the previous year.

The revenue budget monitor pointed to a significant underspend which had the potential to further increase with the level of unexpected grant income that could come our way. This might allow Cabinet to consider a mixture of much needed one-off investments and provide mitigation for future budget risks as the financial impacts of Covid continue beyond March this year but with no Hardship Fund to support. More details would be announced in the final budget proposals in February.

Comments of Cabinet Members:

- Councillor Jeavons referred to the Ash Die Back tree removal programme carried out recently and the safety issue which required this spending as the Council continued remove the trees across the city.
- Councillor Cockeram referred to 2.13 children's residential services and the potential of approximately £2m savings on placements. The funding of homegrown foster care for children would make savings in the next year or two moving children from the independent sector. The Leader thanked foster carers, who were warm and generous individuals for their support in Newport.

- Councillor Davies referred to the net overspend in schools and the proposed £8M increase to invest in schools, which included the support of Additional Learning Needs (ALN). It was therefore hoped that this time next year the Council would not be seeing the same issues.

Decision:

That Cabinet:

- Noted the overall budget forecast position and for an underspend position to exist at the end of the financial year.
- Approved 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.
- Noted and asked 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.
- Noted 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.
- Noted 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.
- Noted the forecast movements in reserves.
- Noted the improved overall position in relation to schools, when compared to previous years, but also noted 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 was 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.

6 Capital Budget Monitor

The Leader presented the report advising Cabinet that the report was an iterative one, and highlighted the changes to the capital programme since Members last considered capital monitoring as at September 2021 and sought to add in new schemes totalling +£4.84m, predominantly grant related.

The report captured the movements and forecasts up to the end of November 2021. The September capital programme budget reported was £65.99m.

There were amendments (net reductions) of -£3.49m, most notably the handing back of grant in respect of A467 improvements which would not be progressed beyond design stage in the current financial year.

Service colleagues identified a further -£9.81m slippage, in respect of schemes progressing at a slower rate financially than originally anticipated when service colleagues indicated annual expenditure plans, moving that part of the budget into 2022-23.

When added to the September budget, the revised capital programme budget for 2021/22 now totalled £57.53m.

The focus of the monitoring was primarily upon the current year (2021-22). The capital programme recognised however that larger schemes would have expenditure that crossed financial years, such that the convention was to establish a five-year programme envelope, with the current one due to expire at the end of 2022-23. The presentation of multi-year tables to 2024-25 in the report implied a seven-year programme but was mainly recognition that 21st Century schools and City Deal commitments extended beyond the end of 2022-23.

Against the revised 2021-22 budget, spend of £57.58m was projected, resulting in a temporary overspend of £51k. These overspends were anticipated to be funded through additional grant bids, but where such financing was not forthcoming, they would instead call upon the various annual sums' maintenance budgets.

Service departments were successful in sourcing additional funding in the form of grants to supplement the traditional programme. This was certainly most welcome in enhancing the Council's ability to maintain and upgrade infrastructure but tended to be specific to certain years. This resulted in an increasing volume of slippage being rolled forward towards the end of the current programme envelope, such that the 2022-23 starting budget was anticipated to be above £100m, which was far in excess of traditional spending levels and anticipated current programme management capacity. This figure had the potential to increase further based on past experience of last quarter considerations such as inclement weather, supply chain issues, and more recently Covid induced absences affecting progress predictions made earlier in the year.

The magnitude of slippage involved may impact upon the capacity to introduce new schemes into the first couple of years of the new programme, owing to the fact that completion of the existing programme might take priority.

The remainder of the report identified the running balances of available resourcing to support new schemes and initiatives, in the form of capital reserves and receipts and treasury headroom.

The Capital Receipts uncommitted running balance (£2.65m) in the report was an increase on the September figure, due to the inclusion of receipt activity that has occurred (extra £1.47m). The level of financing required to come from Capital Receipts remained the same as reported in September (£4.3m).

The Capital Expenditure Reserve had a running balance of £4.47m but might help afford the Council's share of an enhanced schools Band B programme (£1.3m) and the Council's share of the demolition costs of Newport Centre (£250k). Neither of these figures were approved by Members yet and as such only represented pre-commitments in this Capital Monitoring report.

The £4.5m extra capital expenditure headroom was originally built into the debt financing budget in anticipation of a need to facilitate additional projects before the end of current programme window (end 2022-23). The table in the report identified there was no additional commitments identified since the September report, which left an uncommitted £391k for new schemes that could arise between now and end of March 23 that were most appropriate to be afforded by borrowing.

The implication of this was that there would be limited internal headroom without continuing to rely heavily upon an externally funded grant bidding process. The progress of schemes would increasingly be influenced by advanced planning and design to act at pace when grant funding sources were released and having the necessary project management capacity to address/satisfy multiple and diverse projects.

Comments of Cabinet Member:

- Councillor Cockeram mentioned that the Rosedale Annex building works was not funded by health, but through the Regional Partnership Board. The Leader asked that officers note this for future reference.

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

7 **Welsh National TOMs for Social Value**

In November 2020 the National TOMs Framework for Wales was launched on behalf of the Welsh Local Government Association (WLGA), supported by the National Social Value Taskforce Wales.

The TOMs for social value was a measurement framework and practical toolkit that allowed for an unlocking of social value through its integration into procurement and project management across the whole Council.

The Welsh TOMs framework had been designed around seven themes (the seven wellbeing goals of the Wellbeing of Future Generations Act 2015), 35 Outcomes and 93 Measures:

Themes – The overarching strategic themes that an organisation is looking to pursue,
Outcomes – The objectives or goals that an organisation is looking to achieve that will contribute to the themes,

Measures – The measures that can be used to assess whether these Outcomes have been achieved.

For the TOMs Framework, these were action based and represented activities that a supplier, service provider and contractor could complete to support a particular desired outcome.

The framework consisted of a set of 93 Measures. A range of these measures were selected, according to the nature of the procurement, to be included in a Council's tender process, in order for tendering suppliers to respond against these measures and inform the Council how it could add this social value to the contract. The tenderer's response was then scored, and the evaluation of this social value element was then factored into the full evaluation of their tender bid.

The principal benefits of this TOMs framework were associated with a consistent reporting standard for Social Value. It therefore:

- provided a consistent approach to measuring and reporting Social Value,
- was flexible, adaptable and bespoke which was fundamental in order to demonstrate that the methodology can succeed,
- allowed for continuous improvement,
- provided a robust, transparent and defensible solution for assessing and awarding tenders,

- allowed organisations to compare their own performance by sector and industry benchmarks and understand what good looks like,
- was based on non-financial performance but allow monetary value to be reported, and
- reduced the uncertainty surrounding Social Value measurement for businesses, allowing them to make informed decisions based on robust quantitative assessments and hence embed social value into their corporate strategies.

It was the intention that the Welsh National TOMs Framework be adopted as an over-arching framework and toolkit to be used in an appropriate and proportionate manner within procurement activity, initially for contracts above £75,000 in value. This value was similar to other local authorities and was matched to our Contract Standing Orders open tendering procedure, applicable to the same £75k value.

The TOMs Framework was an effective and efficient mechanism in measuring, recording and monitoring Social Value and Community Benefits.

Comments of Cabinet Members:

- Councillor Davies welcomed the adoption of the TOMs Framework which tied in the Future Wellbeing Generation Act, which would enable the Council to add social value to the climate change. A portable for businesses was also available to help local businesses.
- Councillor Mayer mentioned the different parameters were currently overlapping and that this framework would bring together the different strands in order that people could access information in one place.
- Councillor Hughes mentioned this was a great move forward for the Council and also considered the socio-economic aspect, the Welsh language and climate change for Newport City Council.

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.

8 **Mid-Year Performance Analysis 2020/21**

The Leader presented the report, informing Cabinet on the Mid-year performance analysis (2021/22) in the delivery of the Council's service plans for the first six months (April to September) of this financial year.

Cabinet was asked to consider the contents of this report noting where the Council was succeeding in delivering against their Plans and where the Council could also improve. The report included the feedback and recommendations from the Council's performance scrutiny committees.

The Council was in its final year of the five year Corporate Plan which set out vision and goals for improving people's lives in Newport and the delivery of services. The Council's eight service areas developed service plans outlining how they would contribute toward achieving the Council's Wellbeing Objectives and improve the delivery of their services. The focus in the last two years was to protect its services and some of the most vulnerable residents and businesses in the City during this pandemic. Despite these challenges services were responding and adapting to meet these new demands and additional pressures.

The report provided an overview of the progress being made across the Council's projects, service area objectives and actions, and performance measures. Overall, despite the challenges being faced by services, the Council continued to make good progress against the objectives set in the service plans.

At the Mid-year point of this financial year, 47 out of 61 projects were reporting a green status meaning they were on track to deliver within scope, time and budget. There was only one project (Additional Learning Needs Transformation) that was reporting a Red status with 13 projects reporting an amber status, however officers were taking all necessary actions to ensure their performance improved.

With regard to the performance measures across the eight service areas, 69% of their actions were reporting a Green status with only 2% (6 actions) reporting Red and 17% reporting an Amber status. 63% (48 out of 76 measures) of the Council's measures reported a green status meaning they are on track and/or succeeding against their target. 15 out of 76 of measures reported an amber status meaning they are behind on meeting their target. 13 measures however were reporting a red status meaning that the measures are significantly off target. Further information on the Council's Red projects, actions and performance measures were reported in appendix 1 of the report. The Council's Senior Officer group were taking necessary actions to improve their performance and to closely monitor these measures to ensure improvements were made.

The report has also highlighted some of the achievements and notable developments in the delivery of the Corporate Plan:

Adult & Community Services – Continued support to services within the community, including care homes.

Children and Young People Services – Supporting Kinship Carers and unaccompanied Asylum Seeking children to settle in Newport.

City Services – Continuing delivery of strong recycling performances for Newport, the Active Travel programme; installation of the new footbridge across Newport and the purchase of more electric vehicles to contribute towards the Council's goal of being net zero carbon by 2030.

Education – Pupil attendance, Collaboration with the Education Achievement Service to deliver Additional Learning Needs Transformation by September 2022 and progress of the 21st Century Schools and EdTech programmes including the amalgamation of Fair oak and Kimberly Nursery into Newport Nursery school and opening of the fourth Welsh-Medium primary school, Ysgol Gymraeg Nant Gwenlli.

Finance Service - Supporting delivery of services and 2022/23 and medium-term budget preparations and supporting residents to catch up on arrears coming out of last year and providing debt advice / support to address wider needs of residents.

Law & Regulation – Supporting businesses to adhere to the Covid / health & safety regulations taking action as necessary to ensure compliance. Democratic support to the Council's elected members and meeting the new Local Government and Elections Act including Assembly Elections and by-elections; virtual / hybrid meetings. Environmental Health supporting schools, care homes and Civil Contingencies to ensure Covid outbreaks are managed / mitigated.

People and Business Change – Continued to play an essential role in enabling the Council to meet its corporate objectives and supporting all service areas to deliver key outcomes. This included moving to a New Normal building plan with flexible working and Climate Change initiative. Civil Contingencies continued to be at the centre of coordinating the Council's response to the Covid pandemic which will continue into remaining 21/22. Wellbeing policies, policy partnership as well as supporting families to resettle in Newport as part of the Home Office refugee resettlement scheme, to name a few.

Regeneration Investment & Housing – Neighbourhood Hubs, supporting residents through work and skills initiatives such as Kickstart and Restart, school holiday play provision throughout the summer. Housing and homelessness support collaborating with partners to

find long term support and accommodation. Business Support, Indoor Market/Market Arcade redevelopment and the new Leisure & Wellbeing Centre on Usk Way.

Scrutiny Committee Feedback and Recommendations - Feedback provided by Performance Scrutiny Committees in November on the delivery against the service plans and wider context of the Covid crisis. The Cabinet Report included their feedback and key points raised in each of the meetings and full minutes / videos of the meetings can be accessed online through the Council's website. Cabinet accepted the feedback received from its colleagues at both Scrutiny Committees and encouraged both Cabinet Members and Senior Officers to consider these in the delivery of services and future reports presented.

Comments of Cabinet Members:

- Councillor Davies highlighted school attendance. The Council took a proactive approach to all attendance, as this was also a safeguarding issue for children. One key red area was in relation to the ALN provision; however the Council was still waiting on guidance from WG and were therefore unable to progress. Other issues however, in relation to funding needs would be addressed.
- Councillor Jeavons also mentioned that City Services were still delivering targets as highlighted above including the installation of the Devon Place footbridge which was installed on Christmas Day ahead of schedule. The Deputy Leader took the opportunity to thank all the hardworking staff involved in the installation of the project. The Leader also commended the work and referred to the time lapse video showing the working being carried out on the installation of the footbridge.
- Councillor Cockeram referred to Appendix 1 where officers were awaiting guidance from WG on Corporate Parenting which meant that the Council was in the red because of this, however the Corporate Parenting Forum was one of the best committees with foster carers and children attending, yet because of the delay from WG, this was showing as red. The Leader agreed that there were factors beyond the Council's control regarding these issues. It was however important to recognise that the pandemic did also impact on WG, which would contribute to the delay. The Leader finally thanked the Cabinet Member for his hard work and contribution towards social services as well as staff in Adult Services.
- Councillor Harvey mentioned that considering it was almost two years of covid restrictions, there were 220 listed actions that were green with six red actions, which was commendable. The Cabinet Member considered that the report was very well put together and thanked staff for their hard work in the most difficult of times. The Leader also supported the Cabinet Members acknowledgements.
- Councillor Hughes also thanked all those staff working in the Environment Services during these challenging times, working with the communities during the pandemic.
- Councillor Mayer supported the work that was undertaken by Scrutiny and considered that Newport City Council was doing an excellent job under the circumstances and felt that the red areas would be addressed later in the year, which was a positive move forward.

The Leader thanked and strongly agreed with all the comments made by the Cabinet Members on this report as well as thanking Scrutiny colleagues for their support.

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.

9 Update Report on CCR/CJC Working Arrangements

The Leader introduced the report, which was a common report, based on a background note prepared by the Director of the Cardiff Capital Region City Deal. The report was being presented to all of the 10 local authorities forming the South East Wales Corporate Joint Committee, to provide an update on the implementation process in order to meet the statutory requirements of the Local Government and Elections (Wales) Act 2021.

The report set out an interim governance and delivery model, pending the resolution of a number of outstanding financial issues and the transfer of functions to the Corporate Joint Committee. This involved a 'twin-track' approach to comply with the bare minimum legal requirements to formally establish the CJC by the statutory deadline of 31 January and would continue with the existing City Deal Joint Working arrangements, until outstanding issues were resolved.

Whilst Cabinet nor Council were being asked to take any further decisions at the present time, the report was simply for information purposes and Cabinet were being asked to note the current position regarding the implementation plan and the interim governance arrangements. The formation and operation of the Corporate Joint Committee was prescribed by legislation and Regulations, while the interim delivery and governance arrangements were in accordance with the CCR Joint Working Agreement previously agreed by Council.

Colleagues were aware that the 2021 Act required all local authorities in Wales to establish Corporate Joint Committees to discharge certain regeneration, economic development and transport functions at a regional level. These Corporate Joint Committees were different to previous Joint Committees, such as the CCR Regional Cabinet, because they were mandated by Welsh Government as opposed to being voluntary arrangements, and they were constituted as separate legal bodies, with powers to set their own budget, employ staff and hold property and other assets. A copy of the full Regional Cabinet report was attached at [Appendix 2](#).

The Regional Cabinet agreed on 13 December to adopt a "twin-track" approach, which would meet the minimum requirements of the legislation but enable the CJC to remain dormant and for the City Deal arrangements to continue during this interim period. A full copy of that Regional Cabinet Report is attached at [Appendix 3](#).

The intention was that the CJC would hold an inaugural meeting of all the respective Leaders before 31 January, to set an initial budget, adopt the proposed standing orders set out in [Appendix 1](#) and establish a basic governance framework. The Standing Orders simply reflected the requirements of the legislation and Regulations, with each of the 10 authorities being represented by their respective Leaders and each member having one vote. Budget decisions would be unanimous and other decisions required a special majority of 70%. The Brecon Beacons National Park Authority was also required to be a statutory member of the CJC but only in relation to the development of the Strategic Development Plan, given their planning powers. There was also power for the CJC to co-opt other members.

For the purposes of setting the first CJC budget and the bare minimum model, the CJC would utilise the existing agreed City Deal budget and there should be no requirement for any additional budget allocation from the councils. For future budgets, a mechanism would need to be agreed to deal with budget allocation from constituent councils to enable the CJC to set its own budget under the Regulations, as it had no direct levying or precepting powers.

Once the outstanding financial issues were resolved, the intention would be to transfer the functions of City Deal to the CJC in accordance with the original "lift and shift" transitional plan. If these issues were not resolved before the statutory commencement of the CJC

functions after the end of June 2022, then the “twin-track” arrangements may need to continue. The councils may then need to make budget provision for the CJC to commence work on the strategic development plan and regional transport plan, as that work could not be undertaken by the Regional Cabinet.

In the longer-term, once the CJC became fully-functional, then decisions would need to be taken regarding its future funding and working arrangements but, for the time being, Cabinet was asked to note the current position and the interim arrangements for the continuation of the City Deal Joint Working Agreement.

Comments of Cabinet Members:

- Councillor Davies thanked the Leader for the comprehensive explanation of a complex and difficult paper the report.
- The Leader in turn thanked all officers involved in the report and appendices, including Kellie Beirne, Programme Board Director of Cardiff Capital Region.

Decision:

That Cabinet:

- (a) Noted 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) Noted 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) Noted the risks and issues set out in the report which required ongoing monitoring, mitigation and management.
- (d) Noted 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) Noted 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) Noted 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) Noted 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

10 **Welsh in Education Strategic Plan 2021/25**

The Leader advised Cabinet colleagues that the report was prepared by the Chief Education Officer and required Cabinet to consider the appropriateness of the new 10-year Welsh in Education Strategic Plan, or WESP, for submission to Welsh Government.

The School Standards and Organisation (Wales) Act 2013 required local authorities to prepare a WESP and confirmed that this must contain targets and proposals to improve

provision of education through the medium of Welsh and the standards of Welsh-medium education and teaching of Welsh. The Act also required local authorities to submit its WESP to Welsh Government for approval prior to implementation. The new 10-year WESP period was due to commence in September 2022, and the deadline for submission to Welsh Government was 31 January.

The new WESP demonstrated how Newport would contribute, over the next 10 years, towards Welsh Government's Cymraeg 2050 strategy. Cymraeg 2050 introduced a long-term vision for a Wales where the Welsh language thrived and aims to increase the number of Welsh speakers to 1 million by 2050.

The overall target within the WESP related to the expected increase in Year 1 children who were taught through the medium of Welsh. This target was in itself prescribed by Welsh Government, and a minimum 6 percentage point was identified for Newport. This was quantified by a doubling of the provision that was available during the 2020/21 academic year by 2032. Inevitably this would need to be supplemented by increased early years and childcare opportunities, expansions in the Welsh-medium secondary sector and additional workforce.

The draft WESP was developed in conjunction with partners from Newport's Welsh in Education Forum and as required, was subject to an eight-week period of formal consultation. This included extensive stakeholder engagement, significant publicity via the Council's social media channels and a number of opportunities to seek learner voice comments through specifically arranged sessions through a number of secondary schools. This was described in detail in the Consultation Report which accompanied this report, and was published on the Council's website.

The feedback received during the consultation period was considered and some minor changes being made to specific target areas. Overall, however, the responses suggested that the WESP was considered to be appropriately robust and suitably ambitious and should now be submitted to Welsh Government for consideration.

Comments of Cabinet Members:

- Councillor Davies reiterated comments made by the Leader which was an important legislation by WG. The Council was grateful for the support from the Welsh in Education Forum. The number of students that participated in the plan was positive and showed immense support. The Welsh Language Commissioner had stated that Newport City Council's WESP contribution was excellent.
- Councillor Hughes added, that as a Welsh speaker, he agreed with the report and was thankful for the Welsh provision that had been put in place. This was changing the environment for Welsh speakers, particularly in a diverse city as Newport. It also would not only improve the Welsh language but would also encourage children learning to speak other languages.

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.

11 **Brexit Update Report**

The Leader advised that the next Cabinet Report was an update on the post EU Transition arrangements since the UK left on 31 December 2020.

It was over a year since the UK left the European Union and Single Market and throughout the year the Council continued to see widespread impacts not only from leaving the EU but also due to the global impacts of Covid as economies saw an increase in demands and supplies being disrupted.

The cost of living for households in Newport and Wales increased throughout the year with wages struggling to meet these additional costs. For low-income households, these increases will have the biggest impact with energy prices expected to increase further in 2022.

As reported in the Covid Recovery Cabinet Report, the Council, Welsh Government and other not for profit / charities offered households financial support during this difficult time as well as providing debt advice, training and employment opportunities.

The cost and supply of goods and materials continued to impact services and projects delivered by Newport. Construction projects and the delivery of services such as Disabled Facility Grants were seeing increases in their costs due to these factors.

For the City's EU / EAA citizens living in Newport, over 10,000 applications for settled status were concluded with 920 applications awaiting a decision (*based on Home Office figures to September 2021*). Cabinet supported EU/EAA citizens living and working in Newport, as everyone had a part to play in making Newport a great city in which to live and work. Cabinet encouraged anyone who was still awaiting a decision or having difficulties to conclude their application to contact the Council and other organisations such as Citizens Advice Bureau.

Education services alongside Maindee Primary School were supporting the city's Roma community improving residents' knowledge and understanding of the Roma community, their history and traditions.

The Council's Hardship solutions group were coordinating the effort by the Council and not for profit services to support those impacted and try to prevent exploitation of those affected.

Comments of Cabinet Members:

- Councillor Davies referred to the levelling up agenda and hoped that the implementation of this would be in place to ensure that the Council could support its residents in the best way it could.
- Councillor Cockeram commented on the health and social services sector vacancies that impacted on the vulnerable as a result of Brexit.

Decision:

That Cabinet considered and noted the contents of the report and to receive regular updates as progress is made.

12 **Covid Recovery Report**

The Leader highlighted the purpose of this Cabinet Report was to provide an update on the Council's response to the Covid pandemic and the City's recovery ensuring residents and businesses comply with the current restrictions and the progress being made with the Council's Strategic Recovery Aims and Corporate Plan.

The last month saw the Omicron variant become the dominant strain across Newport and Wales. The number of positive cases for the variant significantly increased across Wales over the last two weeks which was also having an impact on Council services.

In response, the Welsh Government took Wales into Alert Level 2 and reintroduced several restrictions to support the health and care services. The Welsh Minister however would be making his announcement later on possibly easing of restrictions.

The report outlined these restrictions the Cabinet continued to ask residents and businesses to follow these and to take up the opportunity to take up the booster jab and vaccinations for those have not done so already.

With the increase in the number of cases across the community, this was now having an impact on Council staff including those in school settings.

The Council's Gold (Civil Contingencies) team and Cabinet Members were receiving regular reports on this ongoing situation and there was number of staff absences due to staff either self-isolating and/or absent with Covid. This had an impact on the Council's front-line and critical services such as social services, City Services and our schools. Contingency measures were in place across Council and schools to manage this situation.

The Leader asked service users, residents and businesses across Newport, to keep in touch with the Council's social media, and website with any announcements to the disruption of our services. If anyone was concerned about the delivery of their service or concerned for their neighbours and family members to get in contact with the Council.

The Leader and the Council also understood the difficulty for Newport's residents and businesses faced during this time of year due to the cost of living, fuel payments and not being able to trade as normal.

Newport Council and the Welsh Government had many financial and non-financial support packages in place. The Leader wanted to take this opportunity to encourage those that needed assistance to contact the Council and also visit the Council's website to see what support was available during this period of time. In addition to this support, last month this Cabinet agreed to provide an additional £100k towards supporting the City's foodbanks and charities. This funding would help the foodbanks to manage the increase in demand for their services and to help households to try and improve their circumstances.

The Leader highlighted the strategic recovery aims as outlined within the report.

Finally, the Leader referred to Councillor Harvey's comments earlier in that we were approaching the two-year anniversary of the beginning of the pandemic and echoed the Cabinet Member's thanks to council staff supporting Newport.

Comments of Cabinet Members:

- Councillor Jeavons referred to front line services of Newport City Council and reiterated that staff were not immune to Covid. The Omicron variant had spread rapidly, and this had an effect on services, if therefore some streets were missed over the Christmas period, residents should leave their refuse out to be collected as soon as possible.
- Councillor Harvey and Hughes echoed the comments of the Leader.

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.

Decision:

Cabinet agreed the Work Programme.

14 **One Newport Partnership Summary of Business**

Cabinet noted the One Newport Summary of Business for information.