

Agenda



Cabinet

Date: Wednesday, 15 June 2022

Time: 4.00 pm

Venue: Hybrid Meeting

To: Councillors Councillor J Mudd (Chair), D Batrouni, J Clarke, D Davies, Y Forsey, D Harvey, J Hughes, L Lacey and S Marshall

Item		Wards Affected
1	<u>Apologies for Absence</u>	
2	<u>Declarations of Interest</u>	
3	<u>Minutes of the Last Meeting</u> (Pages 3 - 6)	
4	<u>Corporate Risk Register Update (Q4)</u> (Pages 7 - 50)	All Wards
5	<u>Local Area Energy Plan</u> (Pages 51 - 112)	All Wards
6	<u>Information Station Project</u> (Pages 113 - 118)	All Wards
7	<u>Levelling Up Fund Round 2 - National Institute of Technology (Report to follow)</u> (Pages 119 - 144)	All Wards
8	<u>Treasury Management Report</u> (Pages 145 - 162)	All Wards
9	<u>Covid Update Report</u> (Pages 163 - 170)	All Wards
10	<u>Post EU Transition Report</u> (Pages 171 - 176)	All Wards
11	<u>Work Programme</u> (Pages 177 - 184)	

Contact: Anne Jenkins, Governance Team Leader
Tel: 01633 656656
E-mail: democratic.services@newport.gov.uk
Date of Issue: 9 June 2022

This page is intentionally left blank



Minutes

Cabinet

Date: 28 April 2022

Time: 12.00 pm

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

1 Apologies for Absence

None received.

2 Declarations of Interest

None received.

3 Minutes of the Last Meeting

The Minutes from 6 April 2022 were agreed as a true record.

4 Transporter Bridge Funding Uplift

The Leader presented the report to colleagues, which had been previously discussed at Cabinet. The Transporter Bridge project was to protect and showcase the iconic structure and ensure the sustainability of its future so that it remained accessible for future generations.

After securing over £8.7m of funding from the National Lottery Heritage Fund, Cabinet Members recalled the disappointment felt in July last year when the appointed contractors for both the bridge repairs and the new visitor centre had gone into administration and the proposed plans were on hold.

In the face of adversity, however, officers started the tendering exercise again and against a global backdrop of increasing costs and labour shortages, which were well documented and debated, unsurprisingly the tenders returned costs considerably higher than those originally agreed with the previous contractors.

The cost of the visitor centre saw a rise of 18% but the bridge repair package showed an increase of 100%. In real terms this meant that the project cost base had risen by £5million.

The National Lottery Heritage Fund was sympathetic to the plight of this project and also acknowledged that this situation was not confined to Newport; similar issues with significant cost rises were seen in other lottery grant funded projects. The Lottery Fund indicated that they would consider an application for a funding uplift provided the request could be kept below £2 million and they subsequently approved a request for an additional £1.95million.

A comprehensive value engineering review was also carried out and £680k in savings were identified. Nevertheless, as it stood, a gap of just over £2.9 million remained in the overall project.

If this project was to proceed, the Council needed to be prepared to underwrite this shortfall. This would require the re-allocation of the funding that was previously set aside in the capital headroom to cover match funding for the ultimately unsuccessful Levelling Up bid submitted last year for the Northern Gateway area of the City Centre.

This would increase the Council's capital headroom to £3.89 million, and therefore sufficient to support this project should additional funding not be secured from other sources.

The Council however did not intend to stop looking for sources of additional funding, and would continue to work with the Friends of Newport Transporter Bridge, who had been incredible and passionate supporters of this project, to identify fundraising opportunities. It was hoped that Welsh Government would also positively consider a request to increase their current £1.5 million contribution.

The tender period for both contract packages had expired and although both contractors remain engaged, there was a considerable risk of further cost increases if we do not formally agree these contracts without further delay, as there was no other option available.

The Transporter Bridge belonged to the City and continued repair and maintenance of the structure was required to ensure that it remained both operational and safe to use. Basic maintenance of the bridge structure alone, involved substantial costs because works were being carried out at height - these were fixed costs and must be paid no matter how much work was carried out.

This project would enable us to undertake comprehensive repairs to the bridge and provide visitor facilities which would ensure that it remained useable and accessible, now and in the future. There was an opportunity to accept over £12 million of external funding to make this iconic structure a focal point of the city and to maximise its impact as a heritage asset.

It was fully recognised that the increase in project costs puts added pressure on financial resources, however, given the amount of external funding secured and the benefits which flowed from this project for residents and visitors, the Leader invited Cabinet to consider the report.

Comments from Cabinet Members:

- Councillor Harvey was proud to be the Cabinet Member with the Transporter Bridge under her portfolio and agreed that the iconic structure must be kept and maintained and therefore supported the restoration of the Transporter Bridge.
- Councillor Roger Jeavons echoed the comments of the Cabinet Member and commended her on her hard work, along with the officers involved.
- Councillor Truman mentioned that the Transporter Bridge stood out as a Newport landmark and there were only six left in the world.
- Councillor Cockeram also endorsed the funding to preserve the Transporter Bridge, which was as famous as the Chartists in Newport.
- Councillor Mayer echoed comments of colleagues and supported the funding for the Transporter Bridge.
- Councillor Davies agreed with the Leader that this was a safety net, as capitol costs increased on major projects in Newport and material costs increased worldwide. The work had to be undertaken at a high standard to last for future generations.
- Councillor Hughes thanked the Cabinet Member and officers for their hard work and support and also agreed that the Transporter Bridge was an iconic feather of the Newport Cityscape and was also part of Newport's maritime heritage.
- The Leader also mentioned that members of the public had written to her to light up the Transporter Bridge and it was important to consider that it had touched many people's lives in Newport, Gwent, UK and internationally.

The Leader met recently with Friends of Newport Transporter Bridge (FONTB) who agreed that these structures were iconic worldwide. The Leader also thanked Cabinet, Officers and FONTB for their support.

Decision:

That Cabinet accepted the additional funding award of £1.95million from The National Lottery Heritage Fund and for the Council to underwrite the remaining figure of £2.922 million, in line with the solution shown in the financial summary and the commentary provided by the Head of Finance.

This concluded the meeting.

This page is intentionally left blank



Report

Cabinet

Part 1

Date: 15 June 2022

Subject Quarter 4 2021/22 Corporate Risk Register Update

Purpose To present the Council's Corporate Risk Register for the end of quarter 4 (1st January to 31st March 2022).

Author Head of People, Policy and Transformation

Ward All

Summary The Council's Corporate Risk Register monitors those risks that may prevent the Council from achieving its Corporate Plan or delivering services to its communities and service users in Newport.

At the end of quarter four, there were 16 risks recorded in the Corporate Risk Register that are considered to have a significant impact on the achievement of the Council's objectives and legal obligations. At the end of quarter 4 there were no corporate risks closed and 2 risks (In-year Financial Management / Safeguarding Risk) de-escalated from the Corporate Risk Register.

Overall, there are 9 Severe risks (risk scores 15 to 25); 7 Major risks (risk scores 7 to 14); that are outlined in the report.

As set out in the Council's Risk Management Policy, Cabinet review the Corporate Risk Register on a quarterly basis ensuring procedures are in place to monitor the management of significant risks.

Proposal Cabinet is asked to consider the contents of the quarter two update of the Corporate Risk Register.

Action by Corporate Management Team and Heads of Service

Timetable Immediate

This report was prepared after consultation with:

- Corporate Management Team

Signed

Background

The Well-being of Future Generations (Wales) Act 2015 requires Newport City Council to set Well-being Objectives in its Corporate Plan 2017-22. In the delivery of the Corporate Plan and Council services there will be risks that may prevent, disrupt, or impact on the Council's objectives. The Council's Risk Management Policy and Corporate Risk Register enables the Council to identify, manage and monitor those risks to ensure effective mitigation action is taken to minimise or prevent the risk from impacting on services, communities, and citizens. The current Risk Management Policy was approved in July 2020.

Following the Covid-19 outbreak, service areas were asked to review their service plans and consider any new and/or emerging risks that could impact on the delivery of their services. Additionally, as part of the Council's quarterly monitoring process, service areas have reviewed their risks considering the impact of Covid-19.

In accordance with the Council's Risk Management Policy, any new, escalated / de-escalated and closed risks in the Corporate Risk Register are presented to the Council's Executive Board for decision.

From 2022/23, the Council will be moving from 8 to 11 service areas that will be delivering the new Corporate Plan 2022-27. Additionally, the report will also be updated to reflect the new Cabinet and roles in 2022/23.

Summary of NCC risks for Quarter 4 2021/22

At the end of quarter four, across the Council's eight service areas there were 44 risks recorded in their risk registers. The table below provides a summary of all risks and changes to risk scores between quarter 3 (Reported to Cabinet in June 2021) and quarter 4.

Service Area	Q4 Risks	Risk Scores Increased since Q3	Risk Scores Decreased since Q3	No Change since Q3	New Risks (Since Q3)	Closed Risks (Since Q3)	Escalated Risks ^{*1}	De-escalated Risks ^{*2}
Adult & Community Service	3	0	0	3	0	0	0	0
Children & Young People Service	3	0	0	3	0	0	0	1
City Services	6	0	0	6	0	0	0	0
Education	7	0	3	4	0	0	0	0
Finance	5	0	1	4	0	0	0	1
Law & Regulation	2	0	1	1	0	0	0	0
People & Business Change	13	0	2	11	0	0	0	0
Regeneration, Investment & Housing	5	1	0	4	0	0	0	0
Total	44	1	5	38	0	0	0	2

*1 – Escalated Risks – Risks that have been escalated from Service area risk registers to Corporate Risk Register

*2 – De-escalated Risks – Risks that have been de-escalated from Corporate Risk Register to service area risk register

At the end of quarter four, the Council's Corporate Risk Register included 16 of the 44 risks that are considered to pose the most risk to the delivery of Council services and achievement of its Corporate Objectives. The 16 Corporate Risks consisted of:

- 9 Severe risks (15 to 25)
- 7 Major Risks (7 to 14)

In comparison to the quarter three Corporate risk register, there were no new and/or escalated risks, and no risks were closed. One risk increased in risk score, three risks had decreased in risk score with the remaining 12 risks remaining the same score. Two risks were de-escalated to service area monitoring and reporting following a review at the Executive Board.

Change in direction of risk score (Quarter Four)

Risk	Service Area Cabinet Member	Q3 Risk Score	Q4 Risk Score	Commentary
COVID-19 Pandemic Outbreak	People, Policy and Transformation / Leader of the Council /Cabinet	20	16	At the end of Quarter 4 the risk has reduced following the Welsh Government's announcement on the easing of restrictions. However, for health, social care sector and the Council buildings, restrictions remained in place and were still impacting services.
Demand for ALN and SEN support	Education / Cabinet Member for Education and Skills	16	12	The new ALN funding formula agreed by School's Forum will be implemented in 2022-23 financial year. Cabinet agreed an additional £1.2m to address the discrepancy between the funding for Statemented pupils and their actual costs, this will enable Schools to have the funding to put the correct support in place for Statemented pupils without a detrimental effect to their budgets. Additional Inclusion team members have been appointed including 2 Educational Psychologists, 2 Teacher Advisors, 2 SEN Officers and an Early Years HLTA. These staff are crucial in supporting Schools to increase their capacity to meet the needs of all ALN learners and to ensure they are fully cognisant of their responsibilities in line with ALN implementation. Further funding has been approved for 3 Teacher Advisors to specifically target pupils with complex behaviour difficulties and those at risk of criminal exploitation. The funding formula will need to be carefully monitored and reviewed to ensure Schools are able to meet the needs of their learners. Although the Inclusion services are currently at capacity, with the appointment of the additional 3 Teacher Advisor posts capacity will be improved however this needs to carefully monitored through next year.
Schools Finance / Cost Pressures	Leader of the Council /Cabinet Member for Education and Skills	12	9	The schools currently subject to the Deficit Recovery process are each demonstrating much improved financial positions. Two of these three schools are expected to end the 2021/22 financial year in surplus, and only one school is considered as likely to need to submit an application for a further licence for the 2022/23 financial year. Systems and processes are being developed to support ways in which schools at risk of moving into deficit can be identified at an early stage, with appropriate intervention and mitigating actions then implemented by officers within Finance and Education.

Risk	Service Area Cabinet Member	Q3 Risk Score	Q4 Risk Score	Commentary
				<p><u>May 2022 Update</u></p> <p>No school has found it necessary to apply for a licenced deficit for the 2022/23 financial year. It is important to note however that this is primarily due to the late arrival of WG grants, which artificially inflated the 2021/22 closing positions. This situation remains fragile going forward therefore.</p>
Pressure on Housing and Homelessness Service	Regeneration Investment & Housing / Leader of the Council	16	20	<p>WG covid-related guidance in relation to housing all those presenting as homeless continues. There are consistently over 400 households in temporary accommodation, with less than 20 being rehoused each month due to the lack of availability of permanent accommodation. In the absence of the Covid-19 Hardship Fund for 2022-23, additional grant funding has been awarded by WG to support the authority to continue to meet the requirement to accommodate a high number of homeless households.</p> <p>However, this funding will not fully meet the additional costs of continuing to provide high levels of temporary accommodation and the associated staffing and property management expenditure. In addition, the introduction of the Renting Homes Act in July '22 and the cost-of-living crisis are likely to increase the number of those presenting to the authority as homeless as it is anticipated that private landlords will exit the market and accommodation will become increasingly unaffordable. The pressures on temporary and move-on accommodation are likely to be exacerbated by the demand for housing for Ukrainian evacuees.</p>

De-Escalated Risks (Quarter Four)

Below is a summary of Corporate risks that have been de-escalated from the Corporate Risk Register to the service area risk registers. The responsible service areas will continue to monitor and report against these risks.

Risk	Service Area Cabinet Member	Q3 Risk Score	Q4 Risk Score	Commentary
Safeguarding Risk	Children Services (Lead) / Cabinet Member for Social Services	4	4	<p>Safeguarding of adults, children and carers has been on the Council's Corporate Risk Register since 2014. Safeguarding will inherently be a risk for Newport City Council due to its statutory roles and responsibilities. In the last two financial years, safeguarding has remained one of the Council's lowest scoring corporate risks scoring 6 between June 2020 to June 2021 and since September 2021 has achieved its target risk score of 4. In September 2021, a Cabinet Report</p>

Risk	Service Area Cabinet Member	Q3 Risk Score	Q4 Risk Score	Commentary
				was presented on the progress the Council has made to embed safeguarding across all council services, functions and duties. The report highlights the progress that the Council has made towards improving its safeguarding practices and ensuring staff complete the mandatory training on safeguarding including VAWDASV. The report also highlights the further improvements that need to be made by the Council considering new Deprivation of Liberty Safeguards, ongoing mandatory training for officers, Members and volunteers. The main recommendations from this Cabinet Report will be incorporated into the Council's Well-being and Self-Assessment Report 2020/21 and also Action Plan.
In Year Financial Management	Finance Service / Leader of the Council / Cabinet	2	2	The In-year Financial Management risk has been on the Council's Corporate Risk Register since 2017. The risk relates to the in year management of budgets. This risk has a Target Risk Score of 6 and since September 2020 the risk score has been below this target but mainly due to the temporary impact of Covid and additional WG funding. Previously, significant budget challenges were in place in some areas of the Council. At this point for 2022/23, Newport Council continues to have robust monthly forecasting and reporting mechanisms and whilst there are potential risks to financial management this year, the base budget has mitigation in place for these and other unforeseen budget pressures with the Council base budget and specific reserves allocations. The Council's Accountancy team and S151 officer are well positioned to escalate to the Council's senior Leadership team when necessary, any financial risks and issues for decision.

Appendix 1 - Quarter 4 Corporate Risk Heat Map and Risk Profile

Appendix 2 – Newport Council's Corporate Risk Register for Quarter 4.

Risks

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
The Council does not achieve its objectives as corporate level risks are not adequately managed and monitored.	M	L	Risk Management Strategy has been adopted and mechanisms are in place to identify, manage and escalate emerging and new risks / mitigation strategies. Audit Committee oversight of risk management process.	Directors, Heads of Service and Performance Team

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Corporate Plan 2017-22
Service Plans 2021/22

Options Available and considered

1. To consider the contents of the Corporate Risk Register and to continue monitoring progress of actions taken to address the risks identified in the report.
2. To request further information or reject the contents of the risk register

Preferred Option and Why

To consider the contents of the Corporate Risk Register and monitor the progress of actions taken to address the risks identified in the report. This will give the Cabinet sufficient assurance and oversight of the main overarching risks that the council faces in delivering the objectives of the Corporate Plan.

Comments of Chief Financial Officer

There are no direct financial implications arising from this report. The corporate risk register forms an important part of the governance and budget setting arrangements for the council and the risk register is used to guide the internal audit plan.

It is noted that overall, the corporate risk register remains largely unchanged since the third quarter with no new or escalated risks and none closed but two de-escalated back to the service areas and one has decreased in score with 15 remaining the same. The register will continue to be monitored closely and any increasing risk scores that may lead to financial pressures without mitigation will be reflected in established ongoing revenue and capital monitoring and MTFP arrangements.

Comments of Monitoring Officer

There are no specific legal issues arising from the report. As part of the Council's risk management strategy, the corporate risk register identifies those high-level risks that could impact upon the Council's ability to deliver its corporate plan objectives and essential public services. The identification of corporate risks within the risk register and monitoring the effectiveness of the mitigation measures are matters for Cabinet. The report confirms that there have been no significant changes in the risk profile during the final quarter of the last financial year, with no additional risks being added to the corporate risk register and 2 risks being de-escalated back to the service areas. For the most part, the individual risk scores have also remained the same, with only 1 of the 16 remaining risk scores being decreased.

Comments of Head of People, Policy and Transformation

Effective monitoring and reporting against the Council's Corporate Risk Register is essential in minimising and preventing the likelihood and impact of risks against our objectives. The Council's risk management is a key area in the implementation of the Well-being of Future Generations Act (Wales) 2015.

The recent changes made to our risk management processes and system will ensure officers at all levels of the organisation have greater control and oversight of their risks taking the necessary action to mitigate their impact and escalate where necessary to senior management.

There are no specific HR issues arising from the report.

Comments of Cabinet Member

The Chair of Cabinet is consulted on the corporate risk register and has agreed that this report goes forward to Cabinet for consideration.

Local issues

None.

Governance and Audit Committee

The Council's Governance and Audit Committee (GAC) will be provided with the quarter 4 risk report in July 2022. Comments and recommendations from the GAC will be included in the next Cabinet Report.

Fairness and Equality Impact Assessment:

For this report, a full Fairness and Equality Impact Assessment has not been undertaken. This is because this report is not seeking any strategic decisions or policy changes, with its purpose being to update Cabinet on the current risk register.

Wellbeing of Future Generation (Wales) Act

Under the Well-being of Future Generations Act (Wales) 2015 and its 5 ways of working principles this report supports:

Long Term – Having effective risk management arrangements will ensure that the opportunities and risks that will emerge consider the long term impact on service users and communities.

Preventative – Identifying opportunities and risks will ensure the Council is able to implement necessary mitigations to prevent or minimise their impact on Council services and service users.

Collaborative – The management of risk is undertaken throughout the Council and officers collaborate together within service areas, Corporate Management Team and the Council's Cabinet to ensure decisions are made in a timely manner and are evidence based.

Involvement – The Council's Risk Management process involves officers across the Council's service areas and Cabinet Members.

Integration – Risk Management is being integrated throughout the Council and supports the integrated Planning, Performance and Risk Management Framework. The Framework ensures that planning activities consider the opportunities and risks to their implementation and overall supports the delivery of the Council's Corporate Plan and legislative duties.

Consultation

As above, the Risk Register is also considered by Audit Committee.

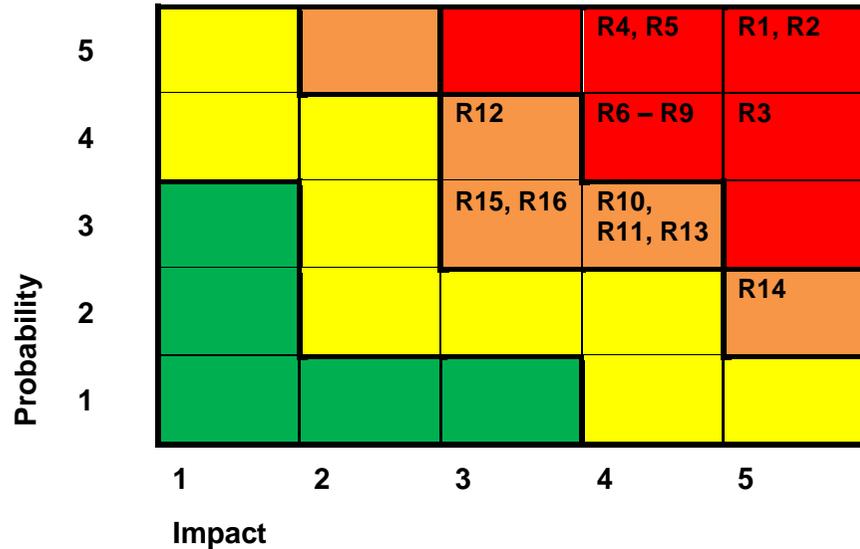
Background Papers

[Quarter 3 Corporate Risk Report \(March 2022\)](#)

[Risk Management Policy 2020-22](#)

Dated: 8 June 2022

Appendix 1 – Quarter 4 2021/22 Risk Heat Map



Corporate Risk Heat Map Key (Quarter 4 2021/22)	
R1 - Stability of Social Services Providers	R9 - Newport Council's Property Estate
R2 - Pressure on Adult & Community Services	R10 - Demand for ALN and SEN support
R3 - Highways Network	R11 - Educational Out of County Placements
R4 - Pressure on the delivery of Children Services	R12 - Climate Change
R5 - Pressure on Housing and Homelessness Service	R13 - Post EU Transition
R6 - COVID-19 Pandemic Outbreak	R14 - City Centre Security and Safety
R7 - Ash Die Back Disease	R15 - Schools Finance / Cost Pressures
R8 - Cyber Security	R16 - Balancing the Council's Medium-Term budget

Risk Score Profile between Quarter 1 2021/22 and Quarter 4 2021/22

Risk Reference	Risk	Lead Cabinet Member(s) *	Risk Score Quarter 1 2021/22	Risk Score Quarter 2 2021/22	Risk Score Quarter 3 2021/22	(Current) Quarter 4 2021/22	Target Risk Score
R1	Stability of Social Services Providers	Cabinet Member for Social Services	25	25	25	25	6
R2	Pressure on Adult & Community Services	Cabinet Member for Social Services	20	25	25	25	10
R3	Highways Network	Deputy Leader and Cabinet Member for City Services & Member Development	20	20	20	20	15
R4	Pressure on the delivery of Children Services	Cabinet Member for Social Services	20	20	20	20	6
R5	Pressure on Housing and Homelessness Service	Leader of the Council	16	16	16	20	6
R6	COVID-19 Pandemic Outbreak	Leader of the Council /Cabinet	15	20	20	16	6
R7	Ash Die Back Disease	Deputy Leader & Cabinet Member for City Services & Member Development	20	20	16	16	6
R8	Cyber Security	Cabinet Member for Assets and Community	16	16	16	16	10
R9	Newport Council's Property Estate	Cabinet Member for Assets and Community	16	16	16	16	9
R10	Demand for ALN and SEN support	Cabinet Member for Education and Skills	16	16	16	12	6
R11	Educational Out of County Placements	Cabinet Member for Education and Skills	12	12	12	12	5
R12	Climate Change	Cabinet Member for Sustainable Development	9	12	12	12	10

Risk Reference	Risk	Lead Cabinet Member(s) *	Risk Score Quarter 1 2021/22	Risk Score Quarter 2 2021/22	Risk Score Quarter 3 2021/22	(Current) Quarter 4 2021/22	Target Risk Score
R13	Post EU Transition	Leader of the Council / Cabinet	8	12	12	12	10
R14	City Centre Security and Safety	Deputy Leader and Cabinet Member for City Services and Member Development	10	10	10	10	8
R15	Schools Finance / Cost Pressures	Leader of the Council /Cabinet Member for Education and Skills	12	12	12	9	6
R16	Balancing the Council's Medium-Term budget	Leader of the Council / Cabinet	16	16	9	9	10

*Based upon Cabinet Member roles as at 31st March 2022.

Glossary

This document provides an explanation of terminology used in this report and supporting documents.

Risk Appetite – the amount of risk that Newport City Council is willing to seek or accept in the pursuit of the Council's long term objectives.

Inherent Risk Score – The level of risk in the absence of any existing controls and management action taken to alter the risk's impact or probability of occurring.

Residual Risk Score – The level of risk where risk responses i.e. existing controls or risk mitigation actions have been taken to manage the risk's impact and probability.

Target Risk Score – The level of risk (risk score) that Newport City Council is willing to accept / tolerate in managing the risk. This is set in line with the Council's overall risk appetite.

Risk Mitigation Action – Actions identified by the Risk Owner to respond to the risk and reduce the impact and probability of the risk of occurring.

Risk Mitigation Action (Red Progress Score) – Significant issue(s) have been identified with the action which could impact on the ability of the action meeting its completion date. Immediate action / response is required resolve its status.

Risk Mitigation Action (Amber Progress Score) – issue(s) have been identified that could have a negative impact on the action achieving its completion date. Appropriate line manager(s) should be informed and where necessary action taken.

Risk Mitigation Action (Green Progress Score) – The action is on course for delivering to the agreed completion date and within the agreed tolerances.

How the Council Assesses Risk

An assessment of the likelihood and impact of risk is important to measure, compare and monitor risks to ensure efficient use of resources and effective decision making. This assessment is carried out using the risk matrix as described below.

Risk Assessment Matrix

A Corporate Risk Register will contain the high level risks for the whole authority. In order to differentiate between these high level risks a 5x5 risk assessment matrix will be applied. The matrix is shown below and further detail is included in appendix 3.

Risks are scored using the scoring system for probability and impact and assigned a rating based on the tolerances set out in the matrix below

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
5 Page 18	Severe	Failure of a key strategic objective	Serious organisational / service failure that has direct impact on stakeholders including vulnerable groups. Service disruption over 5+ days.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £1M Revenue >£1M	Legislative / Regulatory breach resulting in multiple litigation / legal action taken on the Council (linked to Financial / Reputational Impacts).	Multiple major irreversible injuries or deaths of staff, students or members of public. (Linked to Financial / Reputational Impacts)	Severe and persistent National media coverage. Adverse central government response, involving (threat of) removal of delegated powers. Officer(s) and / or Members forced to Resign.	Project status is over 12 months from anticipated implementation date. Project(s) do not deliver the major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts
4	Major	Severe constraint on achievement of a key strategic objective	Loss of an important service(s) for a short period that could impact on stakeholders. Service disruption between 3-5 days.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital > £0.5M - £1.0M Revenue >£0.5M-£1M	Serious legislative breach resulting in intervention, sanctions and legal action. (Linked to Financial / Reputational Impacts)	Major irreversible injury or death of staff, student or member of public. (Linked to Financial / Reputational Impacts)	Adverse publicity in professional / municipal press, affecting perception / standing in professional /local government community Adverse local and social media publicity of a significant and persistent nature.	Project status is 6 to 12 months over from anticipated implementation date. Project(s) do not deliver major benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational Impacts

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
3 Page 19	Moderate	Noticeable constraint on achievement of a key strategic objective / Service Plan objective.	Loss and/or intermittent disruption of a service between 2-3 days.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital = £0.25M - £0.5M Revenue = £0.25M to £0.5M Revenue = £0.25M to £0.5M	Significant legislative breach resulting in investigation. (Linked to Financial / Reputational Impacts)	Major reversible injury to staff, student or member of public. Not life threatening. (Linked to Financial / Reputational Impacts)	Adverse local publicity / local public opinion including social media. Statutory prosecution of a non-serious nature.	Project status is 1 to 6 months over from anticipated implementation date. There is significant reduction on delivery of benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational impacts.
2	Low	Constraint on achievement of Service Plan objective that does not impact on Corporate Strategy	Brief disruption of service that has a minor impact on the delivery of a service. Service disruption 1 day.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital = £0.1M - £0.25M Revenue = £0.1M – £0.25M	Moderate impact leading to warning and recommendations.	Some minor reversible injuries. (Linked to Financial / Reputational Impacts)	Contained within Directorate Complaint from individual / small group, of arguable merit	Project status is 1 to 4 weeks over from anticipated implementation date. There is minor reduction on delivery of benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational impacts.

Score	Description	Impact Measures						
		Strategic / Policy	Operational / Business Continuity	Financial	Governance / Legal / Regulatory	Health & Safety	Reputational	Project Delivery / Savings / Benefits
1	Very Low	Constraint on achievement of Service / Team Plan objective	Minor disruption of a non-critical service.	<u>Corporate / Project</u> Unplanned and/or additional expenditure disturbance. Capital < £100k Revenue <£100k	No reprimand, sanction or legal action.	Some superficial injuries. (Linked to Financial / Reputational Impacts)	Isolated complaint(s) that are managed through the corporate complaints process and service area.	Project status is 1 week over from anticipated implementation date. There is insignificant / no impact on delivery of benefits / savings identified in business case. This is linked to Financial / Strategic / Reputational impacts.

Score	Probability	Criteria
5	Very likely 75% +	<p>Systematic Risks – Local evidence indicating very high probability of occurrence if no action / controls are in place. Risk is highly likely to occur daily, weekly, monthly, quarterly.</p> <p>Emerging Risks – National and Global evidence indicating very high probability of occurrence on local communities if no action / controls are taken. Risks are highly likely to occur within the next 5 years.</p>
4	Likely 51-75%	<p>Systematic Risks – Local evidence indicating high probability occur in most circumstances with near misses regularly encountered e.g. once or twice a year.</p> <p>Emerging Risks – National and Global evidence indicating high probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 5-10 years.</p>
3	Possible 26-50%	<p>Systematic Risks – Local evidence indicating distinct possibility with circumstances regularly encountered and near misses experienced every 1-3 years.</p> <p>Emerging Risks – National and Global evidence indicating distinct probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 10-15 years.</p>
2	Unlikely 6-25%	<p>Systematic Risks – Local evidence indicating low to infrequent near misses experienced every 3 + years.</p> <p>Emerging Risks – National evidence indicating low probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>
1	Very Unlikely	<p>Systematic Risks – Local evidence indicating risk has rarely / never happened or in exceptional circumstances.</p> <p>Emerging Risks – National evidence indicating very low probability of occurrence on local communities if no action / controls are taken. Risks are likely to occur within the next 16-25 years.</p>

Systematic Risks – Risks that are known or are becoming part of social, cultural, economic and environmental systems that govern our lives.

Emerging Risks – Risks that are further away, less defined and early stage of being known about.

This page is intentionally left blank

Corporate Risk Register

2021/22 Quarter 4 Update



Ash Die Back Disease

Short Description	Ash Die back disease will affect tree population in Newport. The disease has already been identified in Newport and could kill the majority of Ash trees in the authority. The impact of no action will be significant numbers of tree failures that could see an increase in the number of people harmed by trees and property claims.
Risk Owner	Joanne Gossage
Overseeing Officer	Head of City Services
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for City Services & Member Development
Linked Theme	Theme : Thriving City
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 2. Economic Growth & Regeneration WBO 4. Cohesive & Sustainable Communities

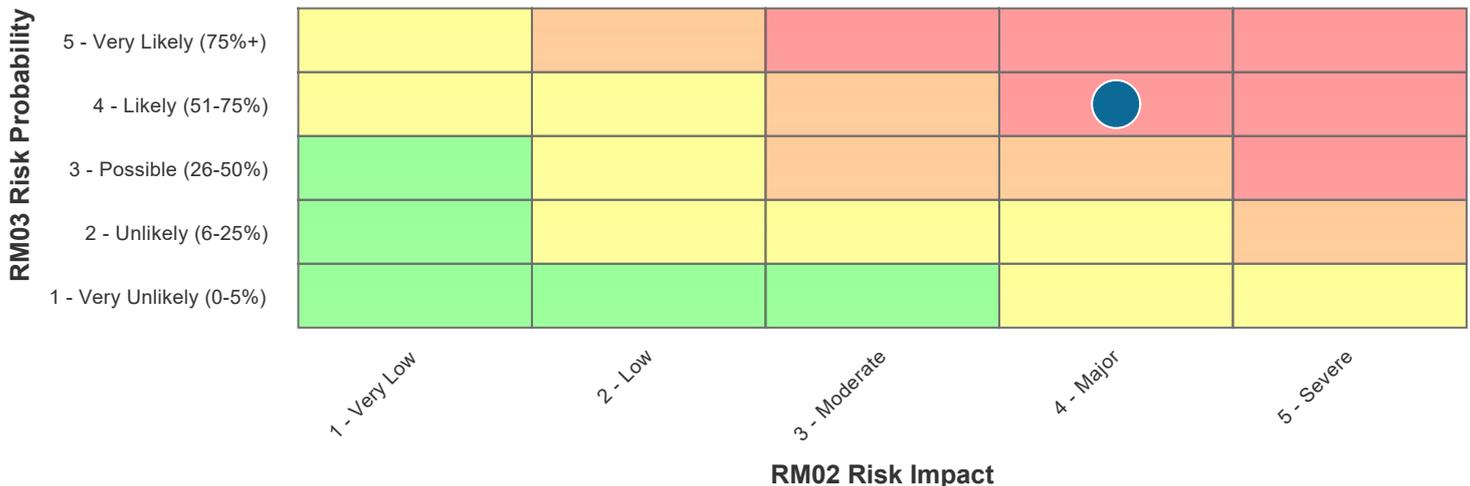


20

Inherent Risk Score

6

Target Risk Score



Direction of Risk

	DoR	Comment
Ash Die Back Disease	➔	Works continue to deal with tree stock identified with disease. Programme of survey and removal is successfully reducing risk each quarter. replacement planting programme has begun.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Increase & Improve Newport's Urban Tree Coverage	Increase and improve Newport's urban tree coverage.	✔
<input checked="" type="checkbox"/> Undertake works removing Ash trees owned by NCC	To undertake works removing diseased Ash trees that are owned by NCC.	★

Balancing the Council's Medium Term Budget

Short Description	To meet the Council's requirement of reducing the gap between Council spend and Budget allocation over the next 3-5 years
Risk Owner	Robert Green
Overseeing Officer	<ul style="list-style-type: none"> Chief Executive Head of Finance
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment
Linked Theme	<ul style="list-style-type: none"> Theme : Aspirational People Theme : Modernised Council Theme : Thriving City Theme: Resilient Communities (Community) Theme: Resilient Communities (Social Care)
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 1. Skills, Education & Employment WBO 2. Economic Growth & Regeneration WBO 3. Healthy, Independent & Resilient WBO 4. Cohesive & Sustainable Communities

9

Balancing the Council's Medium Term Budget

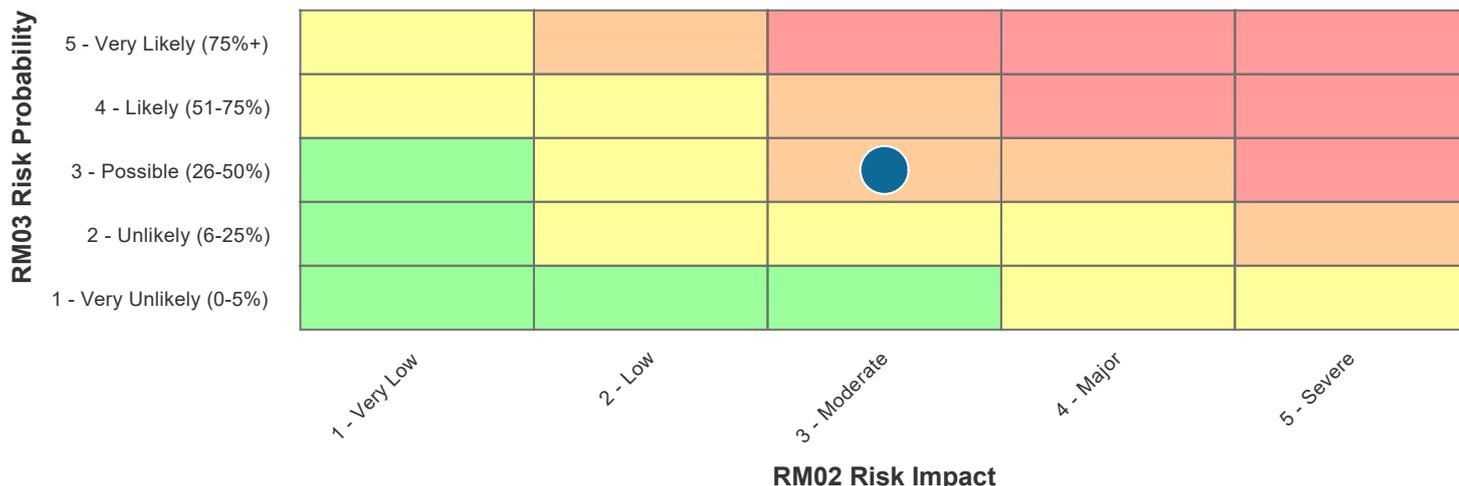
31 MAR 22

16

Inherent Risk Score

10

Target Risk Score



Direction of Risk

	DoR	Comment
Balancing the Council's Medium Term Budget	➔	In line with the previous quarter's report, this risk has been maintained at the same level, due to the medium term outlook not having fundamentally changed within this risk reporting year. From Q1 2022/23, the risk severity may be increased, in light of global issues, such as the cost of living crisis and the ongoing war in Ukraine.

There are no actions associated with this Risk

City Centre Security & Safety

Short Description	Significant incidents of deliberate acts that pose hazards to people in surrounding areas; structural damage; business continuity; damage/disruption to infrastructure and utilities; and reputational and economic impact.
Risk Owner	Tracy McKim
Overseeing Officer	Strategic Director: Environment & Sustainability
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for City Services & Member Development
Linked Theme	Theme : Thriving City
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 2. Economic Growth & Regeneration SRA 2. Supporting the Environment & the Economy

10

City Centre Security & Safety

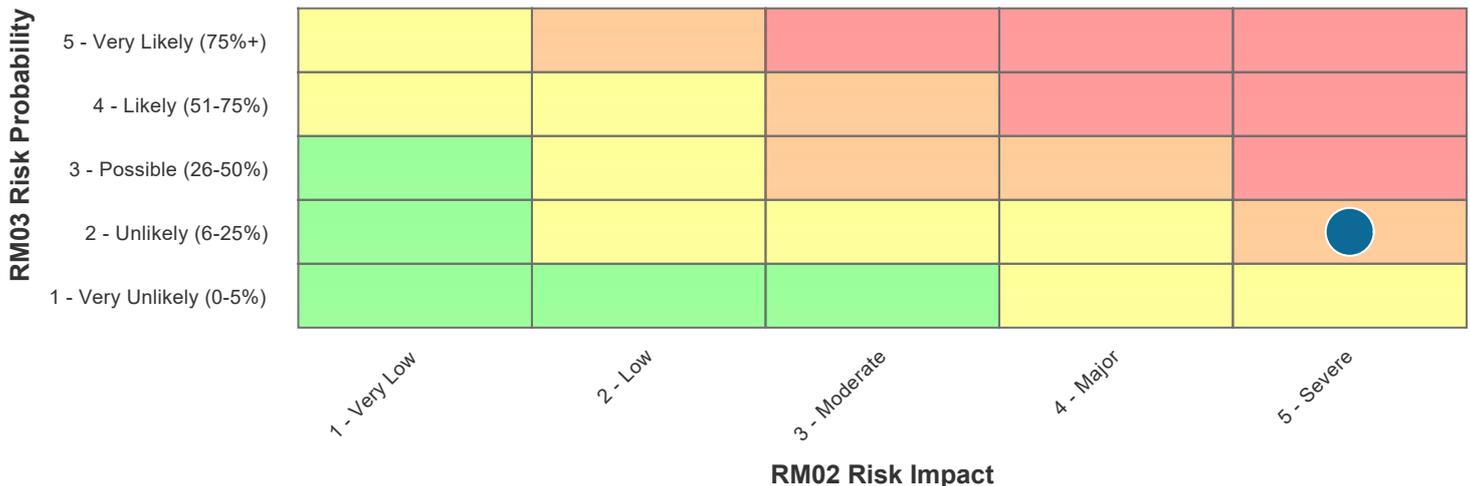
31 MAR 22

20

Inherent Risk Score

8

Target Risk Score



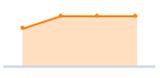
Direction of Risk

	DoR	Comment
City Centre Security & Safety	➔	No change to risk at present, partly due to Covid restrictions.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> City Centre Training to Businesses	Training for those businesses operating within the city centre that may be affected by significant incidents – Gwent Police will lead on the training with the use of NCC channels to promote and raise initial awareness of the scheme.	●
<input checked="" type="checkbox"/> Co-ordinated evac arrangements	Co-ordinated evacuation arrangements for the city centre – NCC will be working with all partner organisations such as the emergency services and private business within the city centre to construct a co-ordinated evacuation system.	★

Climate Change Risk

Short Description	Scientific evidence indicates that the global climate is warming and is changing the environment that we live in Wales and in Newport. The cause of this change is through emissions produced by industry, vehicles, households and businesses. Newport has 11 Air Quality Management Areas which monitor air quality and since they were in place we have been in breach.
Risk Owner	Ross Cudlipp
Overseeing Officer	Chief Executive
Lead Cabinet Member(s)	Cabinet Member for Sustainable Development
Linked Theme	<ul style="list-style-type: none"> ▪ Theme : Modernised Council ▪ Theme: Resilient Communities (Community) ▪ Theme : Thriving City
Linked Corporate Objective	<ul style="list-style-type: none"> ▪ WBO 2. Economic Growth & Regeneration ▪ WBO 3. Healthy, Independent & Resilient

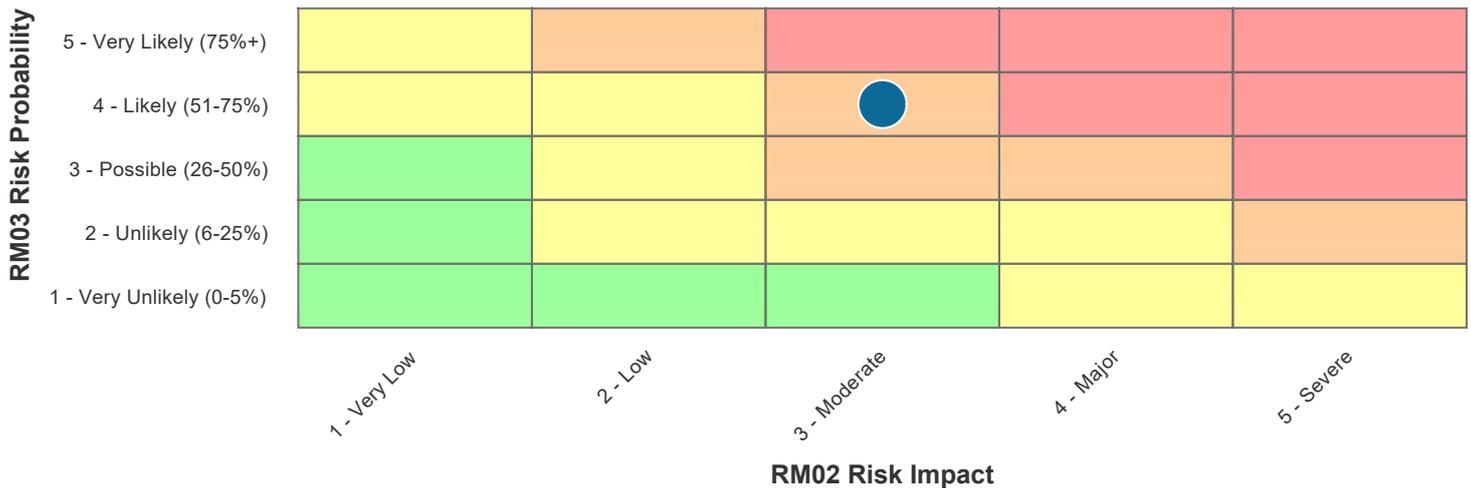
12


Climate Change Risk

31 MAR 22

16
Inherent Risk Score

10
Target Risk Score



Direction of Risk

	DoR	Comment
Climate Change Risk	➔	No change to risk score for Quarter 4 2021/22.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Develop a Long Term Fleet Strategy	Development of a long term Fleet Strategy that will support the Council's Carbon Management Plan to be net carbon neutral.	✔
<input checked="" type="checkbox"/> Develop Localised Air Quality Management Plans	Local Air Quality Management - develop localised plans under the Council's Sustainable Travel Strategy to meet statutory requirements for Action Plans. Actions to be generated by the Sustainable Travel Group.	★
<input checked="" type="checkbox"/> Ebbw West Solar Farm Development	Ebbw West Solar Farm Development	●
<input checked="" type="checkbox"/> Select Building Decarbonisation Partner & Complete Phase of Works on NCC Estate	Select a building decarbonisation delivery partner (Via RE:Fit) and complete a phase of decarbonisation works on the NCC estate.	●
<input checked="" type="checkbox"/> Support LAEP Pilot and decarbonisation action plan for Newport	Support the completion of the Welsh Government supported Local Area Energy Plan (LAEP) pilot to develop a decarbonisation action plan for the City of Newport in collaboration with NCC Policy, Partnership and Involvement team and external stakeholders.	★
<input checked="" type="checkbox"/> Support NCC Climate Change Group and development of Climate Strategy	Support the NCC Climate Change Group in the development of an organisation climate strategy	✔
<input checked="" type="checkbox"/> Support NCC Fleet decarbonisation	Support NCC Fleet Decarbonisation via the correct implementation of charging infrastructure and associated energy systems.	★

Covid 19 Pandemic Outbreak

Short Description	The Corona Virus (COVID 19) pandemic has put at risk the operational ability of the Council to deliver its services, support vulnerable people across Newport and the economic impact to the local and wider economy. Potential mitigations carried out in line with the Chief Medical Officer's advice and Welsh/UK Government guidance.
Risk Owner	Tracy McKim
Overseeing Officer	Chief Executive
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment
Linked Theme	
Linked Corporate Objective	<ul style="list-style-type: none"> ■ WBO 1. Skills, Education & Employment ■ WBO 2. Economic Growth & Regeneration ■ WBO 3. Healthy, Independent & Resilient ■ WBO 4. Cohesive & Sustainable Communities ■ SRA 1. Supporting Education and Employment ■ SRA 2. Supporting the Environment & the Economy ■ SRA 3. Supporting Health & Well-being of Citizens ■ SRA 4. Supporting Citizens post Covid-19

16

Covid 19 Pandemic Outbreak

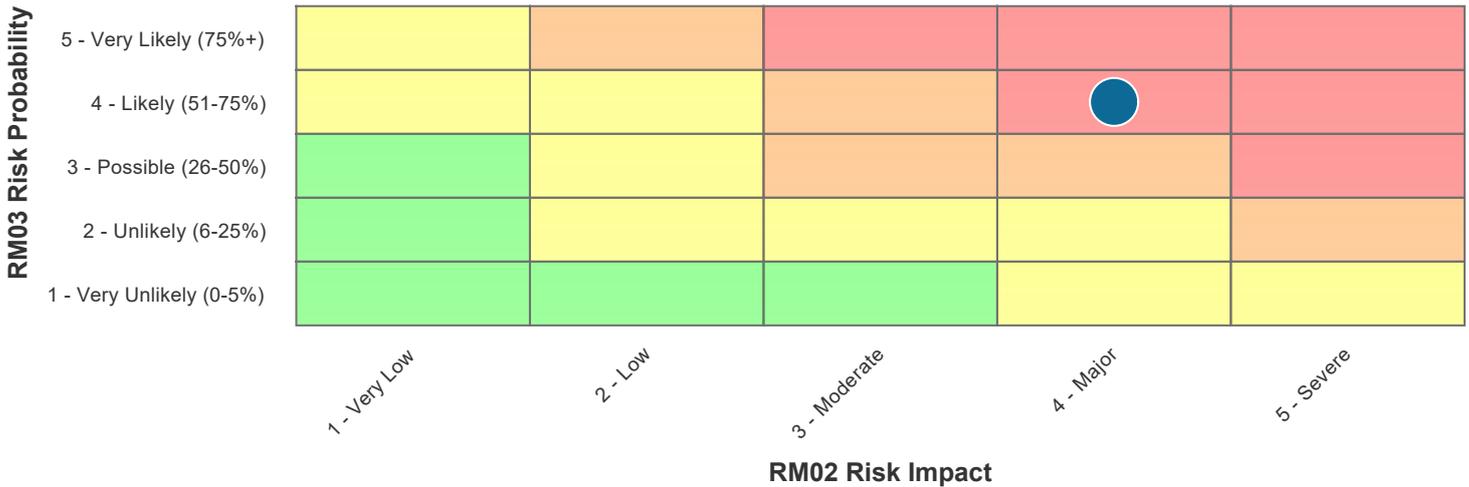
31 MAR 22

25

Inherent Risk Score

6

Target Risk Score



Direction of Risk

	DoR	Comment
Covid 19 Pandemic Outbreak	↓	At the end of Quarter 4 the risk has reduced following the Welsh Government's announcement on the easing of restrictions. However, for health, social care sector and the Council buildings, restrictions remained in place and were still impacting services.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Civil Contingencies Response to COVID-19 Pandemic	Manage and deliver the Civil Contingencies response to the COVID-19 pandemic	
<input checked="" type="checkbox"/> Develop a Community Impact Assessment	Develop a community impact assessment to understand the impact that Covid 19 pandemic and resultant lockdown has had on Newport's Communities	
<input checked="" type="checkbox"/> Develop a follow up to the Community Impact Assessment	Develop a follow up to the community impact assessment to understand the impact that Covid 19 pandemic and further lockdown restrictions has had on Newport's Communities.	
<input checked="" type="checkbox"/> New Normal Project - RAG	Building on the lessons learned from the Covid-19 crisis undertake further work to enable the workforce to able to work more flexibly from Council offices, home and other locations securely and safely. Collaborating with Newport Norse, Facilities and Health & Safety to ensure Council offices meet the necessary WG and Covid secure requirements. Collaborating with SRS to ensure officers and Members are able to work remotely using digital solutions and appropriate equipment. Developing HR policies and procedures that will support the wellbeing and development of the organisation's staff.	
<input checked="" type="checkbox"/> Undertake Analysis of Future Demands Post Covid	To ensure that PBC has an efficient, effective structure to meet future demands.	

Cyber Security

Short Description	Management and security of the Council's ICT systems to protect personal and sensitive data from theft and loss whilst also maintaining business continuity and integrity of our systems.
Risk Owner	Mark Bleazard
Overseeing Officer	Chief Executive
Lead Cabinet Member(s)	Cabinet Member for Community and Resources
Linked Theme	Theme : Modernised Council
Linked Corporate Objective	

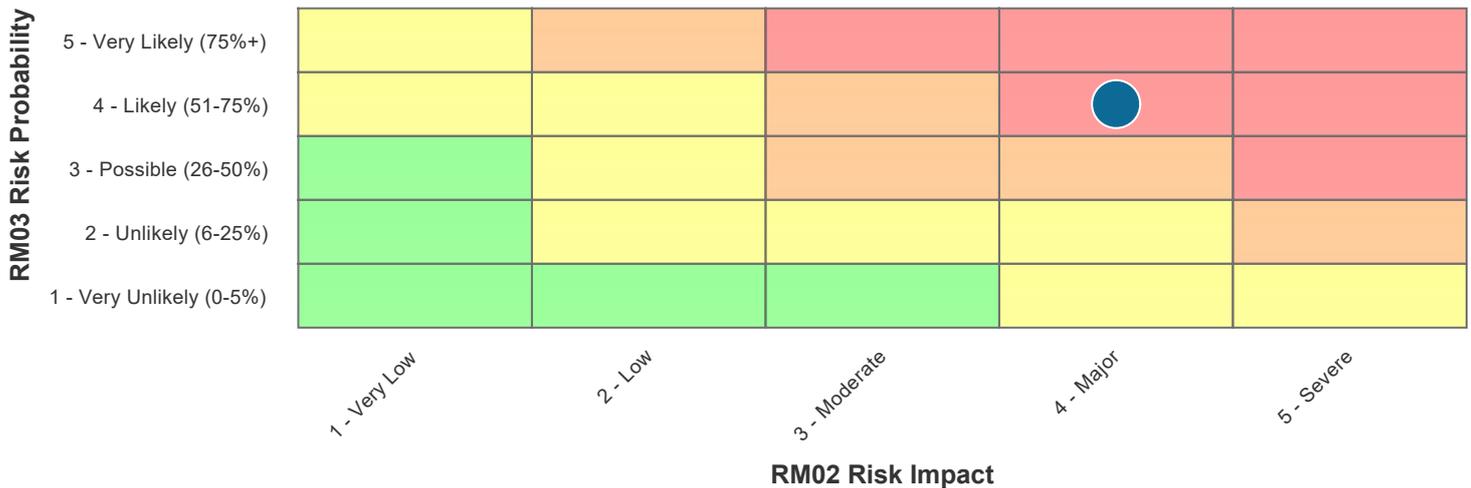


20

Inherent Risk Score

10

Target Risk Score



Direction of Risk

	DoR	Comment
Cyber Security	➔	Risk remains high especially given international tensions due to war in Ukraine.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Develop a Digital Strategy	Development of a new Digital Strategy that supports the future direction of IT services and infrastructure of the Council.	
<input checked="" type="checkbox"/> Implementation of a Policy Management System	To explore and purchase a Policy Management System that will ensure staff across the business undertake necessary training before being able to access IT systems.	
<input checked="" type="checkbox"/> SRS / NCC Business Continuity & Disaster Recovery	Disaster Recovery and business continuity processes between the Council and SRS will be reviewed and updated. These processes will be subject to regular testing with findings and recommendations fed back to the Council's Information Governance Group to ensure the necessary action(s) are completed.	
<input checked="" type="checkbox"/> Using and Securing Data in line with the Digital Strategy 2021-22	Using and Securing Data in line with the Digital Strategy by ensuring effective use of data and information governance processes.	

Demand for ALN and SEN support

Short Description	Funding to cover Additional Learning Needs (ALN) and Special Education Needs (SEN) provision across the city is insufficient and does not meet the demand of increasing need.
Risk Owner	Katy Rees
Overseeing Officer	Chief Education Officer
Lead Cabinet Member(s)	Cabinet Member for Education and Skills
Linked Theme	Theme : Aspirational People
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 1. Skills, Education & Employment WBO 3. Healthy, Independent & Resilient SRA 1. Supporting Education and Employment

12

Demand for ALN and SEN support

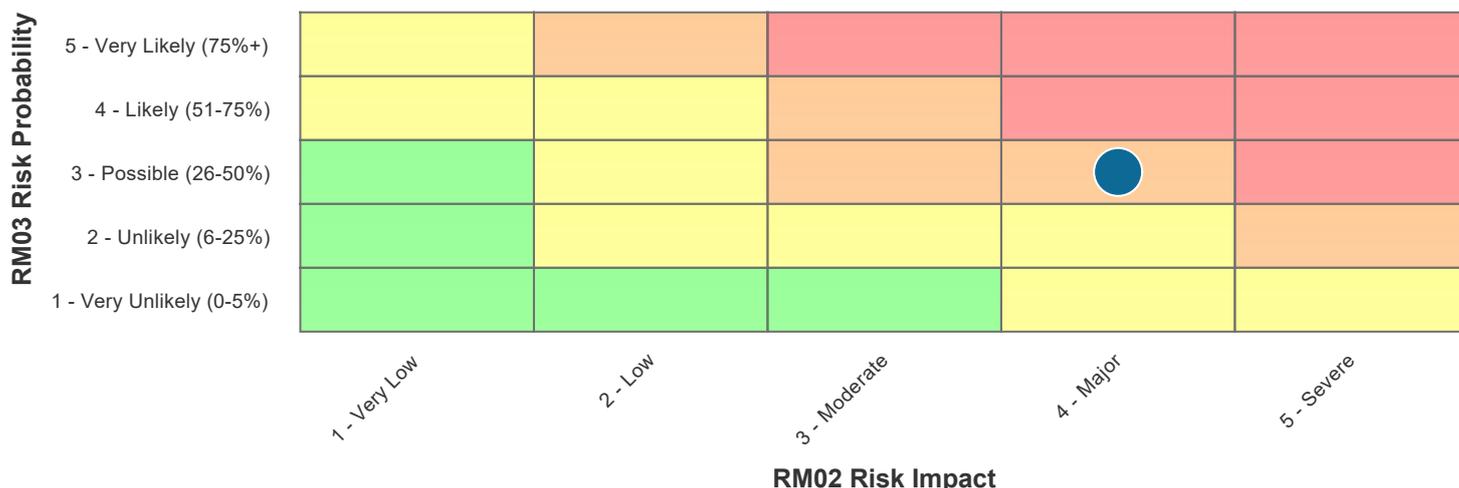
31 MAR 22

20

Inherent Risk Score

6

Target Risk Score



Direction of Risk

DoR	Comment
	<p>The new ALN funding formula agreed by School's Forum will be implemented in 2022-23 financial year. Cabinet agreed an additional £1.2m to address the discrepancy between the funding for Statemented pupils and their actual costs, this will enable Schools to have the funding to put the correct support in place for Statemented pupils without a detrimental effect to their budgets. Additional Inclusion team members have been appointed including 2 Educational Psychologists, 2 Teacher Advisors, 2 SEN Officers and an Early Years HLTA. These staff are crucial in supporting Schools to increase their capacity to meet the needs of all ALN learners and to ensure they are fully cognisant of their responsibilities in line with ALN implementation. Further funding has been approved for 3 Teacher Advisors to specifically target pupils with complex behaviour difficulties and those at risk of criminal exploitation. The funding formula will need to be carefully monitored and reviewed to ensure Schools are able to meet the needs of their learners. Although the Inclusion services are currently at capacity, with the appointment of the additional 3 Teacher Advisor posts capacity will be improved however this needs to carefully monitored through next year.</p>

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Create a sustainable model of delivery for children with ALN provided with timely intervention	In liaison with finance, partners and schools create a sustainable model of delivery to ensure children with ALN are provided with timely intervention within a prescribed budget without year on year fluctuation.	✔
<input checked="" type="checkbox"/> Develop and implement a joint ALN and Admissions process	To develop and implement a joint ALN and Admissions process regarding allocation of school placements based on parental preference to safeguard and minimise appeals processes.	✔
<input checked="" type="checkbox"/> Estyn Rec 2 - Work with Partners to Embed the Learn Well Plan	(Estyn Rec 2) Work with partners to embed the priorities of the Learn Well Plan which focuses on improving the attainment of vulnerable groups.	✔
<input checked="" type="checkbox"/> Estyn Rec 5 - Ensure Appropriate Welsh Medium Provision is in Place for ALN Pupils	(Estyn Rec 5) Ensure that Welsh Medium (WM) provision is established to support pupils with Additional Learning Needs	★
<input checked="" type="checkbox"/> Review availability of provision for all pupils with Additional Learning Needs.	Review with relevant regional partners what provision is available and required to ensure all pupils with ALN have the opportunities to return to study up to age 25.	✔
<input checked="" type="checkbox"/> Review the staffing resources to implement the demands of ALN & Educational Tribunal Act.	To review the staffing resources needed to implement the demands of the Additional Learning Needs (ALN) and Educational Tribunal Act 2018.	✔

Educational Out of County Placements

Short Description	Limited access to Newport City Council (NCC) provision for pupils who require complex and specialist placements which results on a reliance on Out of County (OOC) placements both day and residential.
Risk Owner	Katy Rees
Overseeing Officer	Chief Education Officer
Lead Cabinet Member(s)	Cabinet Member for Education and Skills
Linked Theme	Theme : Aspirational People
Linked Corporate Objective	<ul style="list-style-type: none"> ▪ WBO 1. Skills, Education & Employment ▪ SRA 1. Supporting Education and Employment

12

Educational Out of County Placements

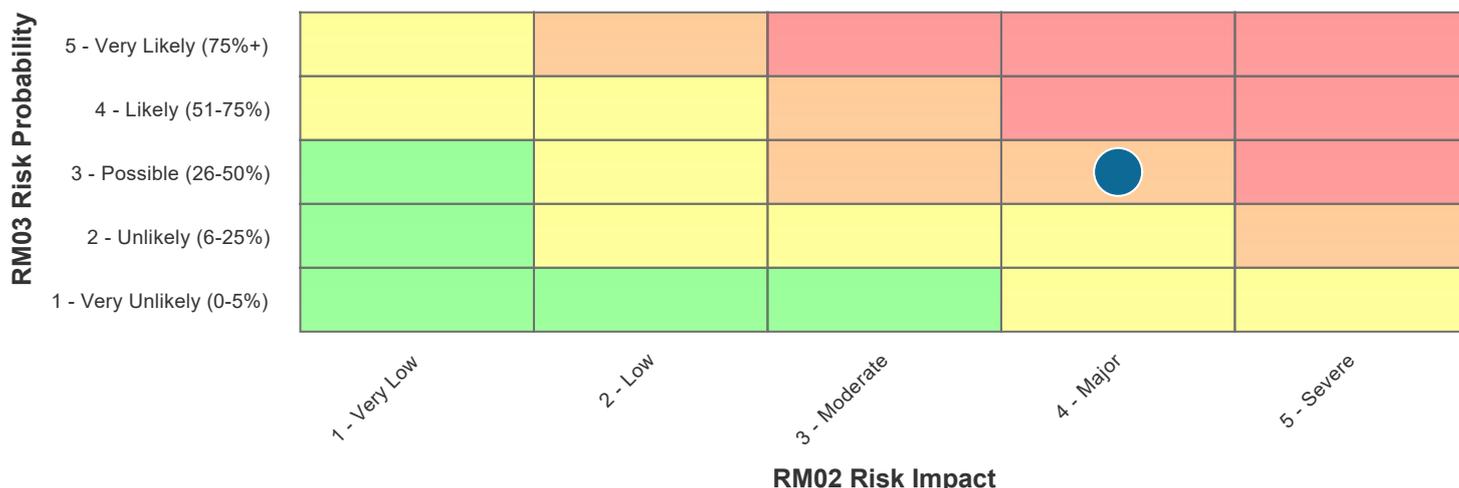
31 MAR 22

20

Inherent Risk Score

4

Target Risk Score



Direction of Risk

	DoR	Comment
Educational Out of County Placements	➔	Although there has been a consistent number of OOC placements throughout 2021-22, we have started to see an increase of OOC placements from 83 to 88 due to the lack of local specialist SEBD and secondary ASD placements. An SEBD provision tender process is currently taking place to ensure additional capacity within Newport for September 2022.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Create a sustainable model of delivery for children with ALN provided with timely intervention	In liaison with finance, partners and schools create a sustainable model of delivery to ensure children with ALN are provided with timely intervention within a prescribed budget without year on year fluctuation.	✔
<input checked="" type="checkbox"/> Extend Provision Within the City to Accommodate a Greater Range of Needs	To extend specialist provision within the city to accommodate needs identified through data trend analysis, ensuring that pupils are placed where their learning is best supported which will reduce the need for Out of County placements. To continue to redevelop and extend provision within the city to accommodate a greater range of needs, ensuring that pupils are placed where their learning is best supported which will reduce the need for Out of County placements.	✔

Highways Networks

Short Description	Failure to recognise current levels of under investment in the whole life of the city's highway network assets in the medium to long term will continue to compound existing maintenance backlog figures.
Risk Owner	Steve Davies
Overseeing Officer	Head of City Services
Lead Cabinet Member(s)	Deputy Leader & Cabinet Member for City Services & Member Development
Linked Theme	Theme : Thriving City
Linked Corporate Objective	<ul style="list-style-type: none"> ▪ WBO 2. Economic Growth & Regeneration ▪ WBO 3. Healthy, Independent & Resilient ▪ SRA 2. Supporting the Environment & the Economy ▪ SRA 3. Supporting Health & Well-being of Citizens

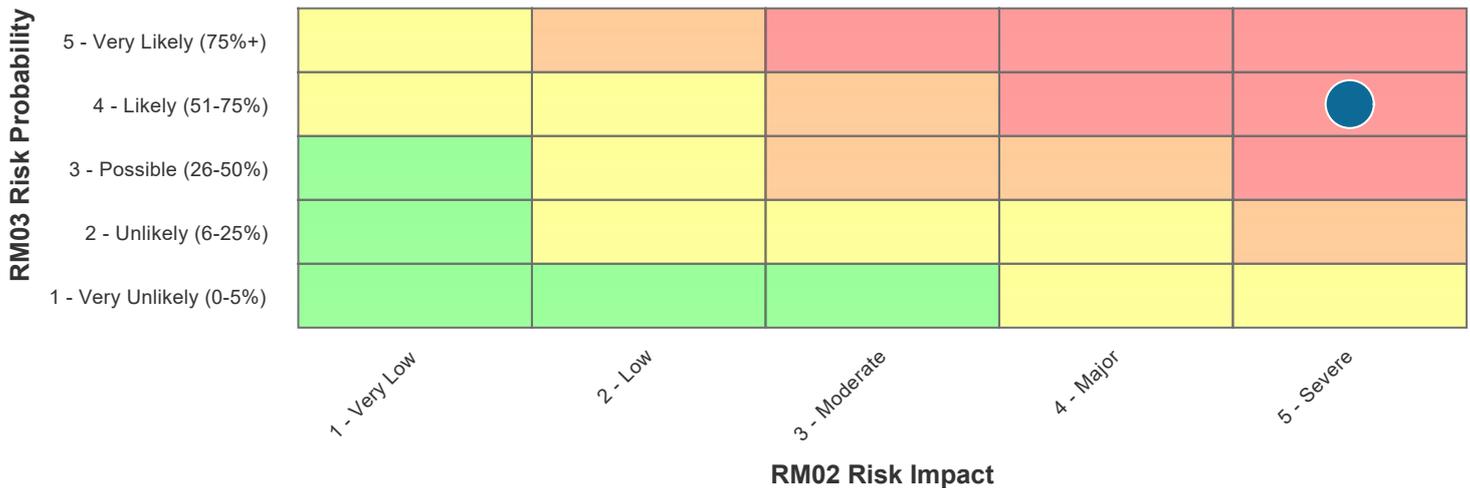


20

Inherent Risk Score

15

Target Risk Score



Direction of Risk

	DoR	Comment
Highways Networks	➔	<p>The city's highway network is the council's largest asset with a gross replacement value of £1.1bn (March 2017). Changes in the way condition data is recorded and one off funding for highway maintenance resulted in a small improvement in the road condition Public Accountability Measures (PAM'S) for 2021/22. However, the maintenance backlog figure sits at £90.5m for Newport, which is likely to increase further this year.</p> <p>The Current investment for highways assets set out in the Highway Asset Management Plan, will result in further deterioration in the asset and the backlog maintenance is likely to exceed £100M by next year.</p> <p>To ensure we have a safe, resilient, sustainable network, a significant investment will be needed. This will be considered as part of the new capital strategy.</p>

There are no actions associated with this Risk

Newport Council's Property Estate

Short Description	NCC has a significant property estate covering over 170 buildings (circa) such as the Civic Centre, Telford Depot, schools etc. The Council has to ensure the estate is maintained to required standards to enable access, safety, security and in the long term sustainable for staff and residents to use.
Risk Owner	Daniel Cooke
Overseeing Officer	<ul style="list-style-type: none"> ■ Chief Executive ■ Head of People, Policy & Transformation ■ Head of Regeneration & Economic Development
Lead Cabinet Member(s)	Cabinet Member for Assets
Linked Theme	Theme : Modernised Council
Linked Corporate Objective	<ul style="list-style-type: none"> ■ SRA 2. Supporting the Environment & the Economy ■ SRA 3. Supporting Health & Well-being of Citizens ■ WBO 2. Economic Growth & Regeneration ■ WBO 3. Healthy, Independent & Resilient

16



Newport Council's Property Estate

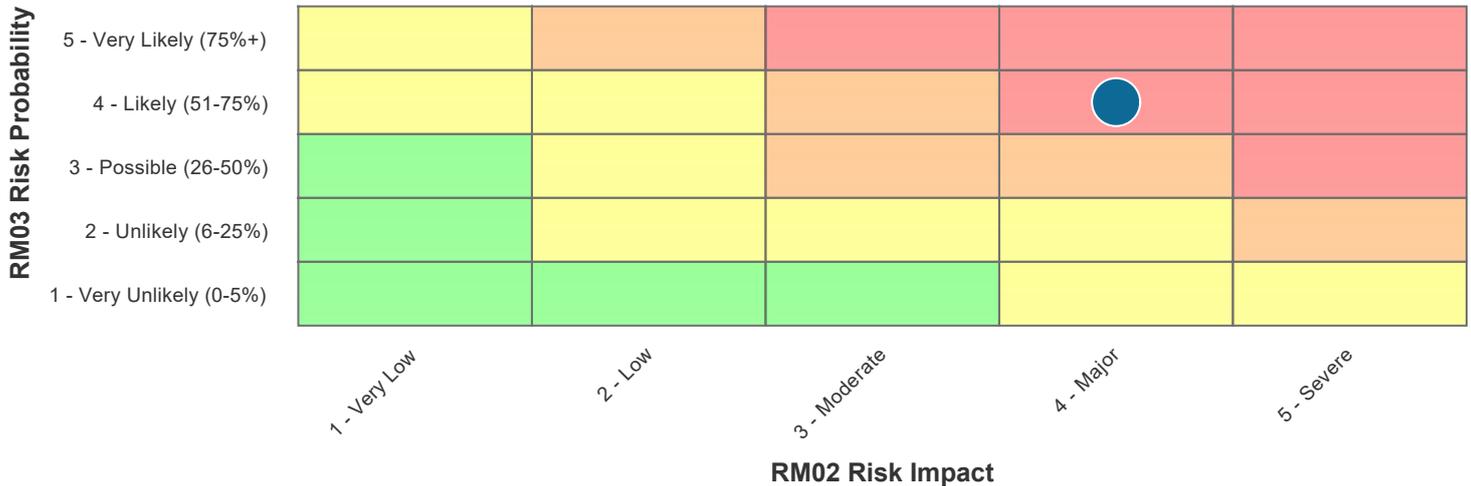
31 MAR 22

16

Inherent Risk Score

9

Target Risk Score



Direction of Risk

	DoR	Comment
Newport Council's Property Estate	➔	There have been no significant changes to the estate that would warrant a decrease in the risk score.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Create and Develop the Civic Centre Operational Groups	Create and develop the Civic Centre Operational Groups	✔
<input checked="" type="checkbox"/> Delivery of the Annual Capital Maintenance Programme	The delivery of the Council's annual Capital maintenance programme to maintain and improve the Council's property estate.	✔
<input checked="" type="checkbox"/> Develop a balanced strategy for the future of the Civic Centre	In response to financial, environmental, legal sustainability and social pressures we need to develop a balanced strategy for the future preservation and transformation of the Civic Centre.	●
<input checked="" type="checkbox"/> Develop Contract Management Arrangements with Newport Norse	Develop contract management arrangements with Newport Norse.	✔
<input checked="" type="checkbox"/> Develop The Civic Centre Maintenance Backlog Prioritisation Schedule	Develop and update a Civic Centre maintenance backlog prioritisation schedule.	✔
<input checked="" type="checkbox"/> Ensure NCC Properties & Assets are of Strategic Value	Ensure that the property and assets held by NCC sustain and support the corporate plan through the Strategic Asset Management Plan (SAMP).	✔
<input checked="" type="checkbox"/> Ensure there are Accountable & Responsible Premise Managers in all NCC premises	Adherence to the Corporate Landlord Policy and ensuring that all Premises Managers are accountable and responsible.	★
<input checked="" type="checkbox"/> Establish the Civic Centre Investment Requirements for NCCs 'New Normal'	Establish the Civic Centre investment requirements to provide a suitable office environment for NCCs "new normal".	✔
<input checked="" type="checkbox"/> Estate Rationalisation Programme	A programme of estate rationalisation to see which properties and assets are of strategic value to the Council and those that can be designated for alternative use.	★

Post EU Transition

Short Description	The UK Government and EU have now agreed an agreement following the UK withdrawal from the EU on December 31st 2020. There are potential impacts on supplies and services in the short to medium term due to new trade and immigration rules, which may result in an impact on supply of good/services and could have a business/economic impact. There are also potential and on-going community cohesion issues.
Risk Owner	Tracy McKim
Overseeing Officer	Chief Executive
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment
Linked Theme	
Linked Corporate Objective	<ul style="list-style-type: none"> ■ SRA 2. Supporting the Environment & the Economy ■ WBO 1. Skills, Education & Employment ■ WBO 2. Economic Growth & Regeneration ■ WBO 3. Healthy, Independent & Resilient ■ WBO 4. Cohesive & Sustainable Communities

12

Post EU Transition

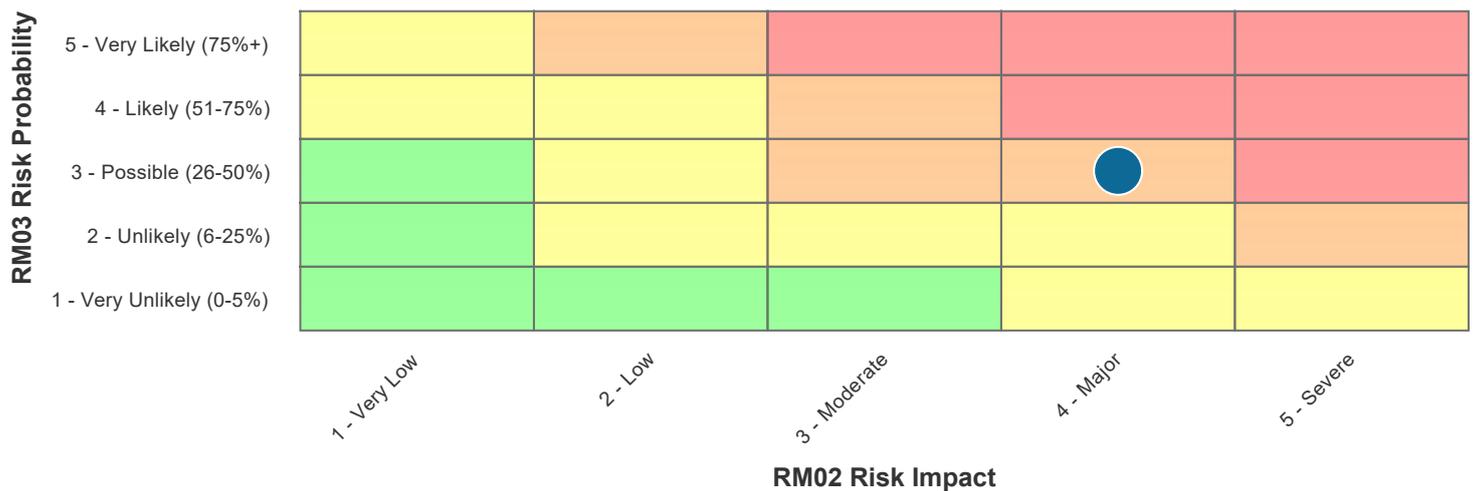
31 MAR 22

16

Inherent Risk Score

10

Target Risk Score



Direction of Risk

	DoR	Comment
Post EU Transition	➔	Newport Council is continuing to monitor the post EU arrangements alongside other global factors such as the Ukraine conflict, cost of living and economic impacts which are impacting residents and businesses in Newport. The Council's Community Cohesion team continues to support residents with late EUSS applications and any immigration issues.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Contribute towards Welsh Government's Nation of Sanctuary Plan.	To develop an Integration Strategy for Newport, focusing on our approach to asylum seekers, refugees and migrants and contributing to Welsh Government's Nation of Sanctuary Plan.	
<input checked="" type="checkbox"/> Develop a follow up to the Community Impact Assessment	Develop a follow up to the community impact assessment to understand the impact that Covid 19 pandemic and further lockdown restrictions has had on Newport's Communities.	
<input checked="" type="checkbox"/> Support the Council's Brexit Task and Finish Group 2021-22	Support the Council's Brexit Task and Finish Group in making preparations for post European Union arrangements for the Council and Newport.	

Pressure on Adult & Community Services

Short Description	There is increased pressure on Adult Services to deliver services to adults with complex and long lasting needs. With an increase in demand / volume of referrals and care packages the Council has seen an increase in costs whilst in the context of tightening budgets. There are also additional statutory requirements to safeguard adults in our care and prevent risk of harm, injury or a loss of life.
Risk Owner	Jenny Jenkins
Overseeing Officer	Head of Adult Services
Lead Cabinet Member(s)	Cabinet Member for Social Services
Linked Theme	Theme: Resilient Communities (Social Care)
Linked Corporate Objective	<ul style="list-style-type: none"> ■ WBO 3. Healthy, Independent & Resilient ■ SRA 3. Supporting Health & Well-being of Citizens

25

Pressure on Adult & Community Services

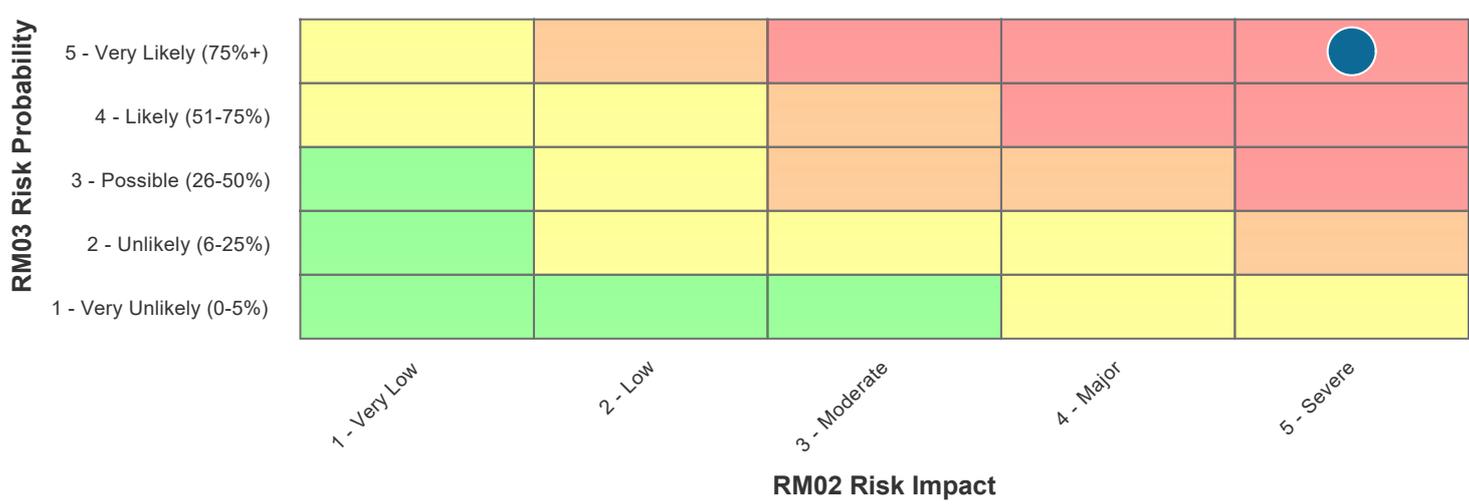
31 MAR 22

20

Inherent Risk Score

10

Target Risk Score



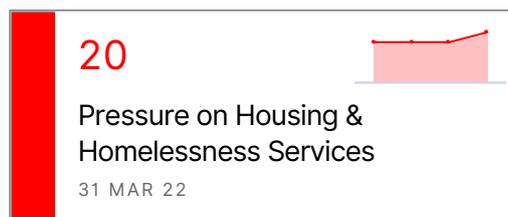
Direction of Risk

	DoR	Comment
Pressure on Adult & Community Services	➔	No change this quarter.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Assess Impact of Covid 19 on Long Term Sustainability of Service Providers	Assess the impact of Covid 19 on the long term future sustainability of service providers ensuring that the market is able to offer sufficient market capacity and diversity.	
<input checked="" type="checkbox"/> Continue to Develop First Contact as a Multi-Agency & Disciplinary Team	To continue to develop First Contact as a multi-agency, multi-disciplinary team effectively managing demand. This includes the integration of the Frailty service into the First Contact Team.	
<input checked="" type="checkbox"/> Improve Support Available for Young People with Learning Disabilities	To improve the support available for young people with learning disabilities to transition from Children Services into Adults Services.	
<input checked="" type="checkbox"/> Integrate Regional Home First Initiative into Hospital Pathway	To develop and effectively integrate the Regional Home First initiative into the hospital pathway and to further align patient flow processes within hospital discharge.	

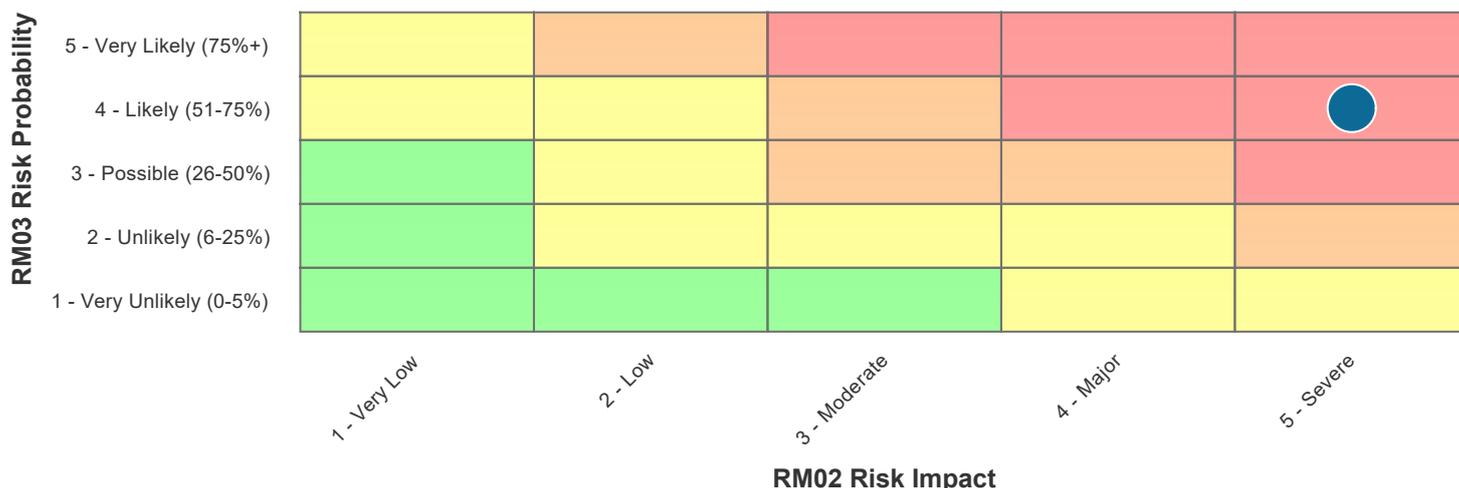
Pressure on Housing & Homelessness Services

Short Description	Increased pressures being faced by the Council's housing service during the Covid-19 pandemic to support people that are presenting at risk of becoming homeless, those persons sleeping rough and those experiencing difficulties in their accommodation.
Risk Owner	Katherine Howells
Overseeing Officer	<ul style="list-style-type: none"> Chief Executive Head of Regeneration & Economic Development
Lead Cabinet Member(s)	Leader of the Council & Cabinet Member for Economic Growth & Investment
Linked Theme	<ul style="list-style-type: none"> Theme: Resilient Communities (Community) Theme : Thriving City
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 4. Cohesive & Sustainable Communities SRA 2. Supporting the Environment & the Economy SRA 4. Supporting Citizens post Covid-19 WBO 2. Economic Growth & Regeneration WBO 3. Healthy, Independent & Resilient



20 **6**

Inherent Risk Score Target Risk Score



Direction of Risk

	DoR	Comment
Pressure on Housing & Homelessness Services		WG covid-related guidance in relation to housing all those presenting as homeless continues. There are consistently over 400 households in temporary accommodation, with less than 20 being rehoused each month due to the lack of availability of permanent accommodation. In the absence of the Covid-19 Hardship Fund for 2022-23, additional grant funding has been awarded by WG to support the authority to continue to meet the requirement to accommodate a high number of homeless households. However, this funding will not fully meet the additional costs of continuing to provide high levels of temporary accommodation and the associated staffing and property management expenditure. In addition, the introduction of the Renting Homes Act in July '22 and the cost-of-living crisis are likely to increase the number of those presenting to the authority as homeless as it is anticipated that private landlords will exit the market and accommodation will become increasingly unaffordable. The pressures on temporary and move-on accommodation are likely to be exacerbated by the demand for housing for Ukrainian evacuees.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Carry Out Research Into Extent & Nature of Private Rented Sector Accommodation	Carry out further research into the extent and nature of private rented sector accommodation in Newport.	✔
<input checked="" type="checkbox"/> Develop Strategy Framework for Private Sector Housing	Develop a strategy framework for private sector housing, bringing together the Adaptations Policy, Private Sector Leasing scheme, Housing Loans Policy	●
<input checked="" type="checkbox"/> Manage & Maintain Common Housing Register & Housing Options Service 2021-22	Manage and maintain the Common Housing Register and Newport Housing Options service in 2021/22.	✔
<input checked="" type="checkbox"/> Produce a Housing Prospectus for Newport	Produce a housing prospectus for Newport in line with Welsh Government guidance.	✔
<input checked="" type="checkbox"/> Produce Updated Gypsy Traveller Accommodation Assessment	Produce an updated Gypsy Traveller Accommodation Assessment.	✔
<input checked="" type="checkbox"/> Review Gwent Homelessness Strategy	Review of Gwent Homelessness Strategy.	✔
<input checked="" type="checkbox"/> Review the Community Housing Protocol	Review of the Community Housing Protocol to ensure that it remains fit for purpose and delivers the expected outcomes.	●
<input checked="" type="checkbox"/> Undertake a review of the Housing Allocation Policy	Undertake a review of the Housing Allocation Policy.	●

Pressure on the Delivery of Children Services

Short Description	Increased pressure on Children Services to manage increase in volume of referrals / cases of children with complex needs. This is in the context of budgets not being able to meet increase in costs to provide the necessary care and front-line staff being able to manage high volume and complex caseloads.
Risk Owner	Sally Jenkins
Overseeing Officer	Chief Executive
Lead Cabinet Member(s)	Cabinet Member for Social Services
Linked Theme	<ul style="list-style-type: none"> Theme : Aspirational People Theme: Resilient Communities (Social Care)
Linked Corporate Objective	<ul style="list-style-type: none"> WBO 3. Healthy, Independent & Resilient SRA 3. Supporting Health & Well-being of Citizens

20



Pressure on the Delivery of Children Services

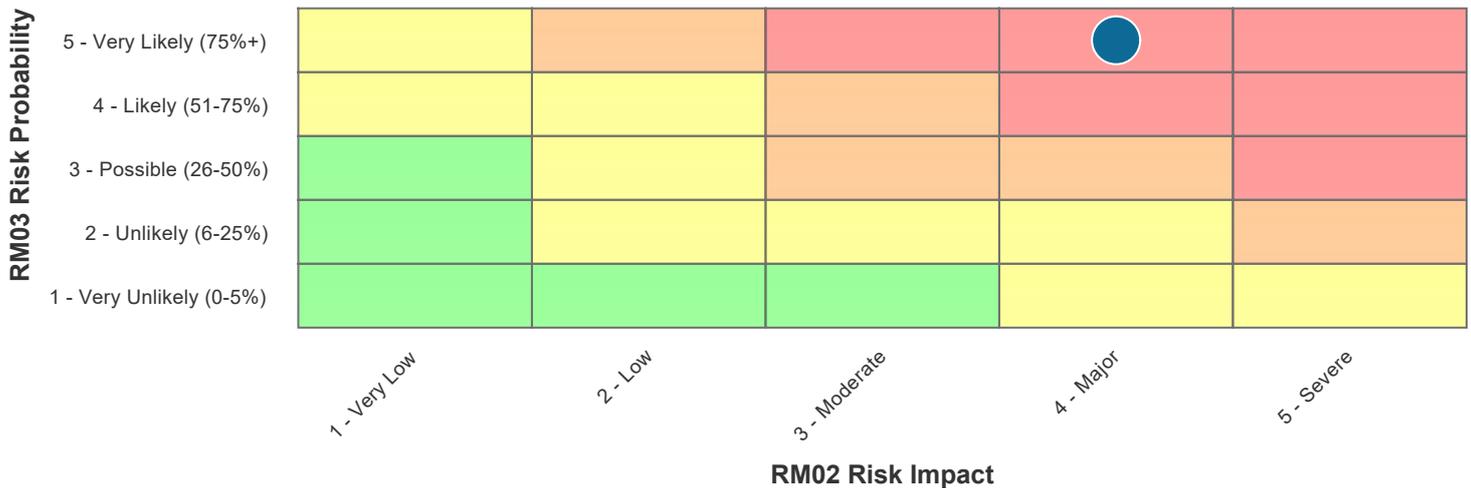
31 MAR 22

20

Inherent Risk Score

6

Target Risk Score



Direction of Risk

	DoR	Comment
Pressure on the Delivery of Children Services	➔	No change this quarter.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Complete & Implement Welsh Government Recommendations for LAC Reduction	Completion and implementation of Welsh Government action plan to work towards reducing the numbers of looked after children	★
<input checked="" type="checkbox"/> Continue Development of Residential Provision	Continue with the development of the residential provision (including Windmill Farm) across Newport in order to increase the number of children who can be cared for safely in Newport	●
<input checked="" type="checkbox"/> Continue the Work Started with GDAS to Base Multi-agency Staff in Front line Teams	Continue the Work Started with GDAS to Base Multi-agency Staff in Front line Teams	★
<input checked="" type="checkbox"/> Continuing to Increase Housing Options for Care Leavers	Increased housing options for care leavers. Currently Newport has a limited range of choices for housing for care leavers especially with a range of suitable support. This action will seek to address this gap. Work has already commenced and will continue.	★
<input checked="" type="checkbox"/> Develop a Sustainable Model to Deliver Local and Multi-Agency Response to All Age Safeguarding	To develop a sustainable model to deliver a consistent, coordinated, local and multi-agency response to all age safeguarding, early intervention and prevention at the front door of CS. This work will involve the consideration of systems, processes and resources of partner agencies to develop a model that reflects contributions from key agencies.	★
<input checked="" type="checkbox"/> Explore Sustainability Options for the Early Intervention Project within the Prevention' Team 21/22	Explore sustainability options for the Early Intervention Project within the Preventions Team for post March 2021.	✔
<input checked="" type="checkbox"/> Review our Existing Arrangements for Family Time to Improve the Offer for Children & Families	In light of the learning during lockdown we will review our existing arrangements for family time to improve the offer for children and families: i) To develop a comprehensive framework of all aspects of family time; ii) Continue to deliver family time virtually as a positive for families.	★

Schools Finance / Cost Pressures

Short Description	In year cost pressures of schools are not met resulting in increased deficit budgets
Risk Owner	Deborah Weston
Overseeing Officer	<ul style="list-style-type: none"> Chief Education Officer Chief Executive
Lead Cabinet Member(s)	<ul style="list-style-type: none"> Cabinet Member for Education and Skills Leader of the Council & Cabinet Member for Economic Growth & Investment
Linked Theme	Theme : Aspirational People
Linked Corporate Objective	WBO 1. Skills, Education & Employment

9

Schools Finance / Cost Pressures

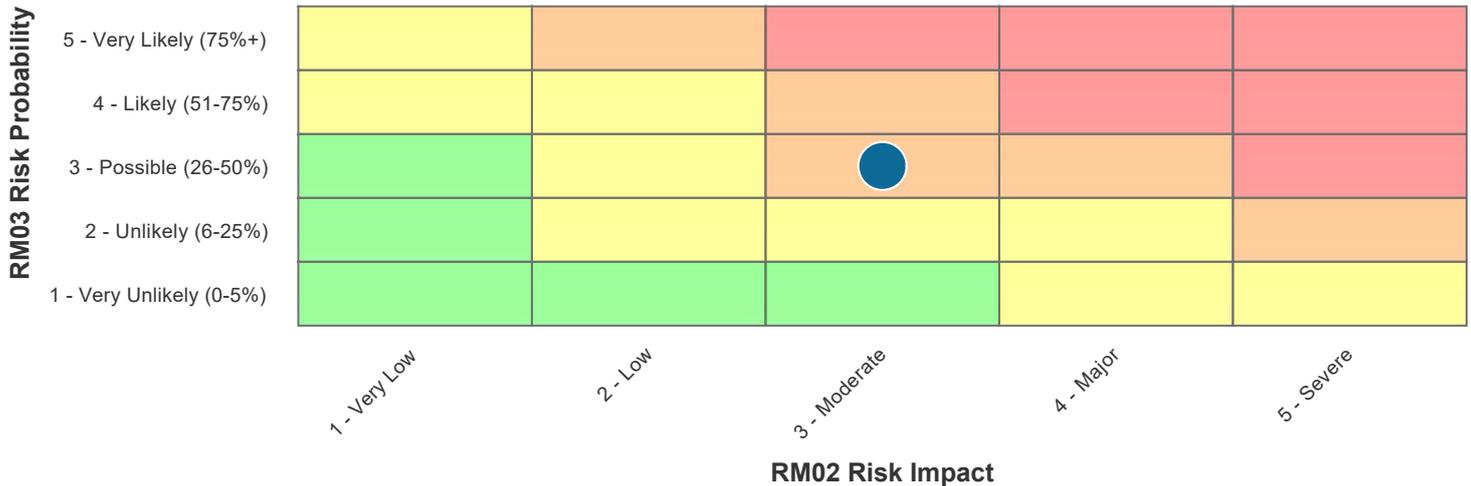
31 MAR 22

20

Inherent Risk Score

5

Target Risk Score



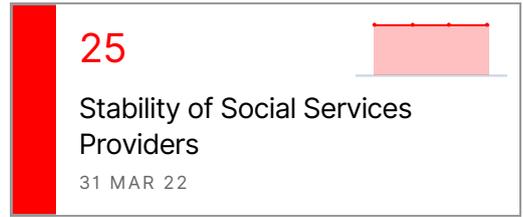
Direction of Risk

	DoR	Comment
Schools Finance / Cost Pressures	↓	<p>The schools currently subject to the Deficit Recovery process are each demonstrating much improved financial positions. Two of these three schools are expected to end the 2021/22 financial year in surplus, and only one school is considered as likely to need to submit an application for a further licence for the 2022/23 financial year. Systems and processes are being developed to support ways in which schools at risk of moving into deficit can be identified at an early stage, with appropriate intervention and mitigating actions then implemented by officers within Finance and Education.</p> <p>May 2022 Update</p> <p>No school has found it necessary to apply for a licenced deficit for the 2022/23 financial year. It is important to note however that this is primarily due to the late arrival of WG grants, which artificially inflated the 2021/22 closing positions. This situation remains fragile going forward therefore.</p>

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Managing School Budget	The local authority will monitor school budgets to ensure that Headteachers and Governing Bodies are: a) Maintaining a balanced budget; b) Addressing in year overspends to reduce the risk of moving in to deficit positions; c) Where deficit budgets occur, deficits are licensed with full recovery plans. d) Where in year deficits are still arising following substantial review, further mitigation may be through the medium term financial plan.	
<input checked="" type="checkbox"/> Monitor In-Year School Budgets to Ensure Budgets are Managed Effectively	Monitor In-year School budgets to ensure budgets are: • Managed effectively and taking necessary actions to prevent overspending. Effectively taking necessary actions to prevent overspending. Schools that have deficit budget recovery plans are implementing the necessary actions to reduce their overall budget deficits.	
<input checked="" type="checkbox"/> Monitoring of Primary, Secondary & Special Schools In-Year Budgets	Monitoring of primary, secondary and special schools in-year budgets: • To prevent overspending and take necessary mitigating action(s). Schools with deficit budget recovery plans are implementing the necessary actions to reduce their budget deficits	

Stability of Social Services Providers

Short Description	The Council requires support from external providers to deliver care packages for children and adults (residential / Non Residential). The current marketplace for external providers is volatile due to the increasing costs to provide care, maintain homes, staffing meeting legislative and regulatory requirements.
Risk Owner	Jenny Jenkins
Overseeing Officer	Head of Adult Services
Lead Cabinet Member(s)	Cabinet Member for Social Services
Linked Theme	Theme: Resilient Communities (Social Care)
Linked Corporate Objective	<ul style="list-style-type: none"> ▪ WBO 3. Healthy, Independent & Resilient ▪ SRA 3. Supporting Health & Well-being of Citizens

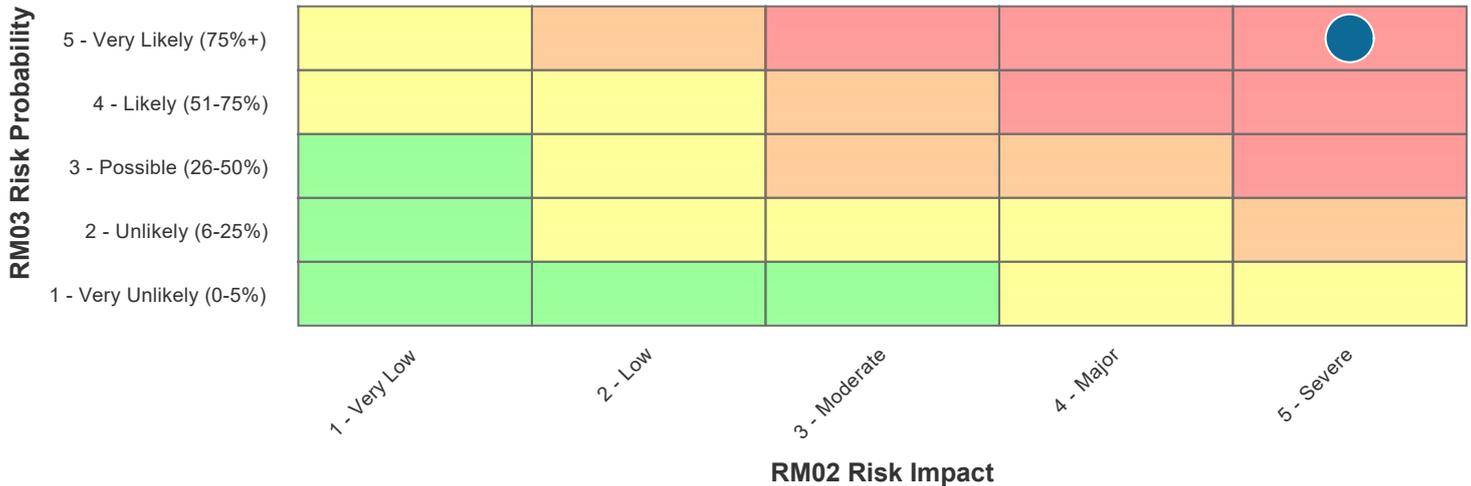


20

Inherent Risk Score

6

Target Risk Score



Direction of Risk

	DoR	Comment
Stability of Social Services Providers	➔	No change this quarter.

Action Name	Action Description	Mar 2022
<input checked="" type="checkbox"/> Assess Impact of Covid 19 on Long Term Sustainability of Service Providers	Assess the impact of Covid 19 on the long term future sustainability of service providers ensuring that the market is able to offer sufficient market capacity and diversity.	●



Report

Cabinet

Part 1

Date: 15 June 2022

Subject Newport's Local Area Energy Plan

Purpose To approve the attached city-wide draft Local Area Energy Plan for the whole Newport local authority area.

Author Senior Policy & Partnership Officer (Climate Change)

Ward All wards

Summary The city-wide Local Area Energy Plan (LAEP) for the whole Newport local authority area sets out a vision for reaching a zero-carbon local energy system by 2050 together with a summary of evidence to support the vision. Also included in the plan is a route map to get there, including a set of actions for the Council to support the journey whilst recognising the role of other key actors in government, the energy sector and across the community. It provides us with an understanding of the nature, scale, rate, and timings of changes that are needed for Newport's transition to a net zero energy system.

Proposal To approve the attached draft city-wide draft Local Area Energy Plan for the whole Newport local authority area.

Action by Strategic Director, Environment & Sustainability
Head of Service, Environment & Public Protection

Timetable As set out in the plan

This report was prepared after consultation with:

- Leader
- Cabinet Member
- Strategic Director, Environment & Sustainability
- Head of Service, Environment & Public Protection
- Chief Financial Officer
- Monitoring Officer
- Wider stakeholders

Signed

Background

In November 2021, we at Newport City Council declared an Ecological and Climate Emergency. As part of the declaration, we pledged to:

- Develop a city-wide Local Area Energy Plan (LAEP), in collaboration with experts from the public, private and third sector to develop innovative solutions to decarbonise heat, electricity and local transport and realise local renewable energy production.

The development of the Newport Local Area Energy Plan was funded by a Welsh Government pilot programme. A pilot programme also took place in the Conwy area at the same time. The funding comprised of a council-based project manager and also the commissioning of technical consultants Arup. Following the two pilots, plans are now underway to roll out local area energy planning to the rest of Wales.

Ofgem (Office of Gas and Electricity Markets) as the government regulator for the electricity and downstream natural gas markets in Great Britain developed a LAEP process methodology in 2020. The Newport pilot followed the methodology which combines robust technical analysis with comprehensive stakeholder engagement to create a route map for delivering decarbonisation as effectively as possible, identifying actions required by local and national government, energy providers, regulators, industry, and residents.

This process aims to account for the local and national wider conditions to achieve net zero, considering how co-operation with adjacent area can help to bring success to decarbonising the wider area.

The Local Area Energy Plan for Newport sets out a vision for reaching a zero-carbon local energy system by 2050 together with a summary of evidence to support the vision. Our vision for Newport's future local energy system is to:

- ***Develop a net zero energy system for Newport, as a city on the rise.***

Also included in the plan is a route map to get there, including a set of actions for the Council to support the journey whilst recognising the role of other key actors in government, the energy sector and across the community. It provides us with an understanding of the nature, scale, rate, and timings of changes that are needed for Newport's transition to a net zero energy system.

This plan also aims to facilitate increased local stakeholder awareness in Newport, resulting in more widespread and meaningful consent for the changes required and credible commitments to deliver the plan.

Plan structure

The plan is structured in three main topic areas:

- A. Where we are now? Describes the existing Newport energy system and relevant policies and objectives.
- B. Our future vision. Presents the future scenarios for a net zero local energy system, including risks and "low regrets" measures, which are very likely to be part of the future energy system regardless of uncertainty around certain aspects of the future.

C. How will we get there? Provides a route map and action plan for us to use to drive the local energy system transition in Newport, including what needs to happen and what we will do.

Based on evidence the plan identifies seven priority intervention areas which represent the areas where physical change to the energy system needs to be made:

1. Whole building retrofit: (insulation, efficiency measures and behind meter generation) Including retrofit of council buildings, working with registered social landlords on the Optimised Retrofit Programme and reporting and improving level of energy performance certification (EPC).
2. Development of public electric vehicles (EV) charging infrastructure: Including publishing of a council EV strategy/approach, installation of charging points in council offices and car parks and transition council fleet vehicles to electric.
3. Electricity distribution network upgrades
4. Further development of onshore renewables
5. Support the development of an industrial innovation programme
6. Decarbonisation of heat through heat pump deployment and heat networks
7. Reduction of transport energy demand through active travel measures

The report outlines the impact of the LAEP on a range of people from an equality and socio-economic perspective and this demonstrates the multiple benefits for decarbonisation of the energy system including fuel poverty.

Financial Summary (Capital and Revenue)

Delivery of our Local Area Energy Plan will be overseen by our Climate Programme Board. The plan requires a dedicated ‘programme manager’ to lead and coordinate delivery, and budget provision for this is within the base budget in the Council’s climate change team.

Some of the priority interventions areas set out in the LAEP will require further investigation and funds to progress sound deliverable actions, but the costs associated with these actions are unknown at this stage. One of the initial enabling actions specified in the LAEP is to develop a plan for funding arrangements to support delivery, this would likely be mainly sourced from grant funding and external sources. Once known, the financial plan to deliver this LAEP will need to be incorporated into the Council’s MTFP and annual budgets, as appropriate.

Risks

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
The Local Area Energy Plan is not implemented	High	Low	Recruitment of a delivery programme manager	Strategic Director, Environment & Sustainability

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
			Development of an appropriate governance structure to oversee the delivery of the plan	
Short term planning instead of longer term working as part of the Local Area Energy Plan	High	Low	Development of a short and long-term plan both monitored via the governance structure mentioned above. Regularly review of the Local Area Energy Plan to ensure the long-term aspirations and actions are fit for purpose	Head of Service, Environment & Public Protection
Insufficient resources & funding	High	Medium	Funding to be supplied for the recruitment of a delivery programme manager Other service areas to support delivery where required. Develop a plan for funding arrangements to support the delivery of the programme of works to enable the delivery of the LAEP	Strategic Director, Environment & Sustainability Head of Service, Environment & Public Protection

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Limiting climate change and reducing our carbon emissions are key to achieving all our well-being objectives and the well-being goals. If we don't continue to reduce carbon emissions and tackle climate change our well-being objectives and the well-being goals will be difficult if not impossible to realise.

Options Available and considered

- 1) To approve the attached draft city-wide Local Area Energy Plan for the whole Newport local authority area.
- 2) Not to approve the draft Local Area Energy Plan

Preferred Option and Why

- 1) To approve the attached draft city-wide Local Area Energy Plan for the whole Newport local authority area.

The Plan will provide a framework for the council to work with partners and stakeholders to deliver on a zero-carbon local energy system by 2050 for the whole city.

Comments of Chief Financial Officer

The LAEP sets out a vision and route map for reaching a zero-carbon local energy system by 2050.

A combination of capital and revenue spend will be required to implement the actions required to deliver the plan and sustain the intended positive outcomes. Funding will need to be identified and within an on-going challenging financial context, identification of external grants for that is important. In saying that, funding can also come from within existing revenue budgets, new revenue budget requirements with any pressures being highlighted in the Medium-Term Financial Plan, as well as some aspects included in the Council's capital programme.

Therefore, it will be important for this plan to be translated into tangible and costed actions and interventions so that these form part of medium-term financial planning. The Finance team will work closely with operational colleagues to do this.

Comments of Monitoring Officer

There are no specific legal issues arising from the Report. The Local Area Energy Plan is in accordance with the Council's strategic well-being and corporate objectives regarding sustainability and climate change and is also consistent with socio-economic and equality duties. The implementation of the individual actions and objectives within the route map set out in the Plan will give rise to specific legal issues, which will need to be addressed as part of the delivery of these projects.

Comments of Head of People and Business Change

The report includes the requirement to appoint to a Programme Manager role and this will be supported through the Council recruitment processes. The climate change agenda also requires staff development which will be fully supported.

A Fairness and Equality Impact Assessment has been completed which fully considers the Wellbeing of Future Generation (Wales) Act, Equality Act 2010, Socio-economic Duty and the Welsh Language (Wales) Measure 2011. As stated in the report mitigating and adapting to climate change will help to reduce the negative well-being impacts on our communities.

Scrutiny Committees

N/A

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

The council has a number of legislative responsibilities to assess the impact of any strategic decision, proposal or policy on people that may experience disadvantage or inequality.

Summary of impact – Wellbeing of Future Generation (Wales) Act

The Local Area Energy Plan will have long term benefits for current and future generations by reducing carbon emissions and supporting the prevention of some of the impacts of climate change.

In the UK, it is forecast that we will experience changing weather patterns with stronger storms occurring more often, bringing an increased risk of flooding to local areas. During the summer months temperatures will continue to rise, bringing heatwaves and drought.

These changes will affect the quality of land, land use, and agriculture. Water and air quality will continue to worsen, and there will be changes to local ecology and wildlife biodiversity as a result of this, with some local species at risk of extinction.

With agriculture being affected, the cost of food will increase along with the cost of living. Damage to land and infrastructure will result in an increased strain on public services and local economies.

Changes in temperatures will also result in pests settling further north due to the warmer climate which will bring with them more diseases, not usually seen in the UK. Changes to the climate will also bring with it new forms of illnesses linked to extremes in temperatures, with the young and the elderly being most affected. The health system will continue to be put under even more pressure.

The Local Area Energy Plan will support the prevention of the worst impacts of climate change.

Limiting climate change and reducing our carbon emissions are key to achieving all of our well-being objectives and the well-being goals.

Stakeholders were involved in a number of engagement workshops throughout the development of the plan. They were also invited to feedback on the draft plan before it was finalised.

Summary of impact – Equality Act 2010

Age

The impact of climate change on younger people and future generations are likely to be greater than other sections of the community as temperatures are likely to rise as time goes on.

Extremes in weather tend to impact more greatly on the most vulnerable and those with existing health conditions so older people could also be impacted more greatly. There is a higher risk of heat related illness and mortality and older people are more susceptible to poor air quality and wildfire smoke. However, warmer winters are projected to decrease cold related deaths.

Disability

Extremes in weather tend to impact more greatly on the most vulnerable and those with existing health conditions so disabled people are likely to be impacted to a greater degree by climate change. There will be negative impacts on some conditions such as mental health problems, cardiovascular and respiratory disease, and diabetes. In addition, those with respiratory conditions are more susceptible to poor air quality and wildfire smoke.

Race

There are no specific impacts for race. However, ethnic minorities in Newport tend to live in the most deprived areas in Newport.

For example, poor air quality combined with health impacts of deprivation interact to modify and strengthen associations with all-cause and respiratory disease mortality especially in the 'most' deprived areas where the most-vulnerable people live and where health needs are the greatest.

In addition, ethnic minorities tend to have poorer health outcomes, lower disability-free life expectancy and higher rates of cardiovascular disease and diabetes which are all negatively affected by the impacts of climate change.

There are no specific impacts on the other protected characteristics contained in the Equality Act.

The Local Area Energy Plan will support the mitigation and adaptation of the impacts of climate change in the local area so has the potential to have a positive impact or to reduce the likelihood of a negative impact.

Summary of impact – Socio-economic Duty

There are multiple benefits for decarbonisation of the energy system from a socio-economic perspective. A direct impact of the Local Area Energy Plan will be the improved energy efficiency in homes across the city that which will reduce fuel costs and help with fuel poverty.

In addition, Public Health studies have shown that the indirect impacts of climate change such as poor air quality, poor health, poor physical environment tend to have the biggest impacts in deprived areas.

For example, poor air quality combined with health impacts of deprivation interact to modify and strengthen associations with all-cause and respiratory disease mortality especially in the 'most' deprived areas where the most-vulnerable people live and where health needs are the greatest.

The Local Area Energy Plan provides a framework to reduce carbon emissions across the city and mitigate against the impacts described above.

Summary of impact – Welsh language

There are no specific impacts for the Welsh Language. The Local Area Energy Plan will be translated.

Consultation

Public and private stakeholders have worked together on the development of the plan.

Background Papers

Draft Local Area Energy Plan

Fairness & Equality Impact Assessment

Additional LAEP Glossary of Terms

Dated: 7 June 2022

This page is intentionally left blank

Fairness and Equalities Impact Assessment (FEIA)

This is an integrated Impact Assessment which aims to ensure Newport City Council makes decisions which are fair, take account of relevant evidence, and seek to secure the best outcomes for our communities. **An FEIA should be used to inform the first steps of decision-making, at concept stage, not when a decision is already made, or at the point when it cannot be influenced.** This impact assessment considers our legislative responsibilities under:

- The Equality Act (2010), including the Socio-economic Duty
- The Wellbeing of Future Generations (Wales) Act (2015)
- The Welsh Language (Wales) Measure (2011)

The FEIA process is not intended to prevent decisions being made, but to ensure we have considered their potential impact. An FEIA also helps us to focus on how we can reduce any negative impacts, and provides us with evidence that we have met our legal duties.

For support to complete your FEIA, please contact the [Connected Communities Team](#)

What do we mean by Fairness?

The Newport Fairness Commission is an independent body which advises the council on the best use of resources and powers to achieve the fairest outcomes for local people. The Fairness Commission has established four **Principles of Fairness** which should be considered as part of any decisions that the council make – the questions below are useful to reflect on before you start your FEIA.

Equity	Are people being treated in a consistent way, whilst acknowledging their differences (for example, need, barriers to accessing services)?
	Will the gap between those with more, and those with less be reduced?
	Have the interests of different groups affected (including minority or disadvantaged communities) been taken into account?
Priority	Have the needs of the most disadvantaged and vulnerable across the city been given priority?
	Have you considered possible indirect consequences for minority/disadvantaged communities when other priorities are directing decisions?
Inclusion	Will the voices of all those affected by your decision be heard?
	Are people able to participate in and shape a service, as well as receiving it?
	Have you considered the impact of your decision on the relationship between communities, and the spaces they share?
Communication	Are decisions being made transparently and consistently?
	How will decisions be communicated to people who are affected in a clear way, with the opportunity for feedback?

Part 1: Identification

Name of person completing the FEIA	Emma Wakeham
Role of person completing the FEIA	Senior Policy & Partnership Officer
Date of completion	7th Oct 2021
Head of Service who has approved this FEIA	Paul Jones

1. What is being assessed? *(Please double click on the relevant box(es) (X) and select 'checked' as appropriate)*

- New or revised policies, practices or procedures (which modify service delivery or employment practices)
- Service review or re-organisation proposals which affect the community and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- Decisions affecting service users, employees or the wider community including (de)commissioning or revising services
- New project proposals affecting staff, communities or access to the built environment
- Public events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Service Boards
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other *please explain in the box below:*

2. Please describe the overall aims, objectives and intended outcomes of your decision

In November 2021, we at Newport City Council declared an Ecological and Climate Emergency. As part of the declaration, we pledged to:

- Develop a city-wide Local Area Energy Plan, in collaboration with experts from the public, private and third sector to develop innovative solutions to decarbonise heat, electricity and local transport and realise local renewable energy production.

The Local Area Energy Plan for Newport sets out a vision for reaching a zero-carbon local energy system by 2050 together with a summary of evidence to support the vision. Also included in the plan is a route map to get there, including a set of actions for the Council to support the journey whilst recognising the role of other key actors in government, the energy sector and across the community. It provides us with an understanding of the nature, scale, rate, and timings of changes that are needed for Newport's transition to a net zero energy system.

3. Who are the main stakeholders who may be impacted by your decision and what data do you hold on them? Consider communities of place (people who live in the same geographic area) and communities of interest (people who share particular characteristics but may live in different geographic areas). Stakeholders may include residents, local businesses, community groups, staff or partners.

Stakeholders for the plan were identified at the start of the project and ranked both by likely level of interest and influence on the project. Stakeholders fell into the following categories

- commercial and industrial demand;
- domestic demand;
- transport demand;
- transmission and distribution;
- generation and storage;
- cross-cutting stakeholders.

Part 2: Engagement

When completing this section, you need to consider whether you have sufficient information about the views and experiences of people who your decision will impact upon. If you don't, you may need to undertake a period of engagement/consultation before continuing. An FEIA is a live document, so can be updated with consultation findings, and amended as needed during the decision-making process.

The council has a duty to consult and engage with people who may experience inequalities as a result of your decision. This includes people **who share Protected Characteristics** (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and people who **have lived experience of socio-economic disadvantage**. The council's Youth Promise also requires us to ensure **all young people in Newport are listened to and included in decisions affecting them**.

The council also has a duty to ensure that any consultation is available bilingually (in Welsh as well as English), and you may like to consider any other community languages that are spoken by people who may be impacted by your decision. Below are some questions that should be included in any public consultation relating to a decision which may impact on the use of Welsh language in Newport:

1. Do you believe that the proposed decision/policy will have a positive or negative effect on opportunities to use the Welsh language?
2. If you think it will have a negative effect, what steps could we take to lessen or remove this and improve positive effects?
3. Do you believe that the proposed decision/policy will treat the Welsh language less favourably than the English language?

1. How have you engaged with people who may be affected by your decision (the stakeholders you have identified)?

Within each of the categories, stakeholders were split by which roles they were likely to undertake:

- Design and build
- Own and operate
- Finance
- Policy and regulation
- Research
- Communication and engagement

Through this exercise we identified which key parties to invite to workshops throughout the LAEP process, as well as which stakeholders were likely to have roles in the delivery of the LAEP itself.

A number of engagement workshops took place and stakeholders were also invited to feedback on the draft plan before it as finalised.

2. What do you know about the views or experiences of people who may be affected by your decision?

Views of stakeholders were varied and were used to shape and develop the plan.

Part 3: Assessment

This section requires you to assess the potential impact of your decision on a range of groups who may experience specific disadvantages. Your assessment should be supported by evidence – either from your own engagement/consultation, similar or previous engagement, what you already know about the people who access your service, or from local and national sources of information.

Useful documents which set out information about how communities are impacted by inequalities include [EHRC – Is Wales Fairer?](#) and the council's [COVID-19 Community Impact Assessment](#). Your decision may have both positive and negative impacts – if this is the case, please place a cross in both boxes.

1. Impact on people that share Protected Characteristics

[Protected Characteristics](#) are defined under the Equality Act 2010, and describe groups of people who are protected from discrimination, either in the workplace, or through the provision of goods and services. The council must consider how decisions may impact on people differently because of a protected characteristic, and how any negative impact could be reduced. National guidance on assessing equality impacts and the Public Sector Equality Duty can be found [here](#). You can also access further advice and examples of positive and negative impacts [here](#).

Protected characteristic	Impact:			Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to: <ol style="list-style-type: none">Promote equal opportunity across different groupsPromote community cohesionHelp eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	

Protected characteristic	Impact:			<p>Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to:</p> <ol style="list-style-type: none"> Promote equal opportunity across different groups Promote community cohesion Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>The impact of climate change on younger people and future generations are likely to be greater than other sections of the community as temperatures are likely to rise as time goes on.</p> <p>Extremes in weather tend to impact more greatly on the most vulnerable and those with existing health conditions so older people could also be impacted more greatly. There is a higher risk of heat related illness and mortality and older people are more susceptible to poor air quality and wildfire smoke. However, warmer winters are projected to decrease cold related deaths.</p> <p>The Local Area Energy Plan seeks to reduce carbon emissions and therefore will support the prevention of the worst impacts of climate change so there could be a positive impact for these age groups.</p>
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>Extremes in weather tend to impact more greatly on the most vulnerable and those with existing health conditions so disabled people are likely to be impacted to a greater degree by climate change. There will be negative impacts on some conditions such as mental health problems, cardiovascular and respiratory disease, and diabetes. In addition, those with respiratory conditions are more susceptible to poor air quality and wildfire smoke.</p> <p>The Local Area Energy Plan seeks to reduce carbon emissions and therefore will support the prevention of the worst impacts of climate change so there could be a positive impact for disabled people.</p>
Gender Reassignment/ Transgender	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts for gender reassignment or transgender.

Protected characteristic	Impact:			<p>Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to:</p> <ol style="list-style-type: none"> 1. Promote equal opportunity across different groups 2. Promote community cohesion 3. Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
Marriage or civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts for those that are married or in a civil partnership.
Pregnancy or maternity	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts for those that are pregnant or on maternity.
Race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p>There are no specific impacts for race. However, ethnic minorities in Newport tend to live in the most deprived areas in Newport.</p> <p>For example, poor air quality combined with health impacts of deprivation interact to modify and strengthen associations with all-cause and respiratory disease mortality especially in the ‘most’ deprived areas where the most-vulnerable people live and where health needs are the greatest.</p> <p>In addition, ethnic minorities tend to have poorer health outcomes, lower disability-free life expectancy and higher rates of cardiovascular disease and diabetes which are all negatively affected by the impacts of climate change.</p> <p>The Local Area Energy Plan seeks to reduce carbon emissions and therefore will support the mitigation and adaptation of the impacts of climate change in the local area so has the potential to have a positive impact or to reduce the likelihood of a negative impact.</p>
Religion or Belief or non-belief	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts on religion, beliefs or non-beliefs.
Sex	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts on gender.

Protected characteristic	Impact:			Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to: 1. Promote equal opportunity across different groups 2. Promote community cohesion 3. Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There are no specific impacts on sexual orientation.

2. Impact on Welsh Language

The Welsh Language (Wales) Measure specifies that for all policy decisions, the council must consider the effects (both positive and negative) on the Welsh language. For further guidance on Welsh language considerations see [here](#).

	Impact:			
	Positive	Negative	Neither	
Welsh Language	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	There will be no impact on the Welsh Language. The final report is translated to Welsh. When implementing the plan providing services in Welsh will need to be considered.

1. Please describe how you have ensured your engagement has considered the view of Welsh speakers in Newport.

The final plan is translated to Welsh.

3. The Sustainable Development Principle

The Well-being of Future Generations Act puts in place a sustainable development principle which helps organisations consider the impact they could have on people living in Wales in the future, and ensure they are focused on tackling long-term challenges. Below, consider how your decision promotes, advances, or contradicts the [5 ways of working](#) which underpin the sustainable development principle. You can access further guidance on considering the sustainable development principle [here](#).

<p>Long term</p> 	<p><i>The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.</i></p>	<p>The Local Area Energy Plan will have long term benefits for current and future generations by reducing carbon emissions and reducing the impacts of climate change.</p>
<p>Prevention</p> 	<p><i>Putting resources into preventing problems occurring or getting worse</i></p>	<p>In the UK, it is forecast that we will experience changing weather patterns with stronger storms occurring more often, bringing an increased risk of flooding to local areas. During the summer months temperatures will continue to rise, bringing heatwaves and drought.</p> <p>These changes will affect the quality of land, land use, and agriculture. Water and air quality will continue to worsen, and there will be changes to local ecology and wildlife biodiversity as a result of this, with some local species at risk of extinction.</p> <p>With agriculture being affected, the cost of food will increase along with the cost of living. Damage to land and infrastructure will result in an increased strain on public services and local economies.</p> <p>Changes in temperatures will also result in pests settling further north due to the warmer climate which will bring with them more diseases, not usually seen in the UK. Changes to the climate will also bring with it new forms of illnesses linked to extremes in temperatures, with the young and the elderly being most affected. The health system will continue to be put under even more pressure.</p>

			The Local Area Energy Plan will support the prevention of the worst impacts of climate change.
Integration		<i>Considering how the public body's well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</i>	Limiting climate change and reducing our carbon emissions are key to achieving all of our well-being objectives and the well-being goals.
Collaboration		<i>Working together to deliver objectives.</i>	Public and private stakeholders have worked together on the development of the plan.
Involvement		<i>Involving those with an interest and seeking their view - ensuring that those people reflect the diversity of the area.</i>	Stakeholders were involved in a number of engagement workshops throughout the development of the plan. They were also invited to feedback on the draft plan before it as finalised.

4. Socio-economic Duty

The [Socio-economic Duty](#) is set out in the Equality Act 2010, and requires the council, when making strategic decisions, to pay due regard to the need to reduce the inequalities of outcome that result from socio-economic disadvantage. Inequalities of outcome are felt most acutely in areas such as health, education, work, living standards, justice and personal security, and participation.

A 'strategic decision' is defined by Welsh Government as a decision **which affects how the council fulfils its statutory purpose over a significant period of time and does not include routine 'day to day' decisions.** Strategic decisions include:

- Corporate plans
- Setting wellbeing, equality and other strategic objectives
- Changes to, or development of public services
- Strategic financial planning
- Strategic policy development

If you do not think your decision meets this definition, and you do not plan on carrying out a Socio-economic Duty Assessment in this section, please provide your rationale below. Any decision which is presented to a Cabinet Member, at Cabinet or Council will be viewed as a strategic decision.

If your decision does meet the definition, please consider the impact of your decision on the socio-economically disadvantaged groups, and areas of inequality that may arise from socio-economic disadvantage contained in the matrix below. The groups listed are not exhaustive and you should consider any additional groups relevant to your decision who may experience socio-economic disadvantage in the following ways:

- **Low Income/Income Poverty** - cannot afford to maintain regular payments such as bills, food, clothing, transport etc.
- **Low and/or no Wealth** - enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provisions for the future
- **Material Deprivation** - unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, hobbies etc.)
- **Area Deprivation** - where you live (rural areas), where you work (accessibility of public transport)
- Socio-economic Background – for example, parents’ education, employment and income

Indicate a positive or negative impact, or both where they apply, and the severity of this impact by coding the sections of the grid based on the below. *If there is no/neutral impact, please leave blank.*

Negative Impact		Positive Impact	
N1	Negative impact – mild	P1	Positive impact – mild
N2	Negative impact – moderate	P2	Positive impact – moderate
N3	Negative impact – significant	P3	Positive impact – significant
N4	Potential for negative impact (but unsure)	P4	Potential for positive impact (but unsure)

Areas of inequality that may arise from socio-economic disadvantage – definitions
Education :The capability to be knowledgeable, to understand and reason, and to have the skills and opportunity to participate in the labour market and in society
Work : The capability to work in just and favourable conditions, to have the value of your work recognised, even if unpaid, to not be prevented from working and to be free from slavery, forced labour and other forms of exploitation

Living Standards: The capability to enjoy a comfortable standard of living, in appropriate housing, with independence and security, and to be cared for and supported when necessary.							
Justice, Personal Security and Community Safety: The capability to avoid premature mortality, live in security, and knowing you will be protected and treated fairly by the law							
Health: The capability to be healthy, physically and mentally, being free in matters of sexual relationships and reproduction, and having autonomy over care and treatment and being cared for in the final stages of your life							
Participation: The capability to participate in decision making and in communities, access services, know your privacy will be respected, and express yourself							
Groups							
Groups	Areas of inequality						
	Living Standards	Work	Health	Education	Justice and community safety	Participation	Physical Environment
Children living in poverty	P4		P4				P4
Low income households without dependent children	P4	P4	P4				P4
Unemployed young people		P4					
Long term unemployed		P4					
Homeless households							
Refugees, migrants and asylum seekers							
Deprived neighbourhoods - WIMD rank in 10% most deprived LSOA	P4	P4	P4				P4
People on Universal Credit / income related benefits	P4		P4				P4
Adults with no qualifications or low qualifications							
People living in low quality housing or in Houses of Multiple Occupation	P4		P4				P4

1. What evidence do you have about socioeconomic disadvantage and inequalities of outcome in relation to this decision?

There are multiple benefits for decarbonisation of the energy system from a socio-economic perspective. A direct impact of the Local Area Energy Plan will be the improved energy efficiency in homes across the city that which will reduce fuel costs and help with fuel poverty.

The Local Area Energy Plan will support the mitigation and adaptation of the impacts of climate change in the local area so has the potential to have a positive impact or to reduce the likelihood of a negative impact.

Public Health studies have shown that the impacts of climate change such as poor air quality, poor health, poor physical environment tend to have the biggest impacts in deprived areas.

For example, poor air quality combined with health impacts of deprivation interact to modify and strengthen associations with all-cause and respiratory disease mortality especially in the ‘most’ deprived areas where the most-vulnerable people live and where health needs are the greatest.

The Local Area Energy Plan provides a framework to reduce carbon emissions across the city and mitigate against the impacts described above.

2. Please describe how you have ensured your engagement has considered the views of people living in Newport who are affected by socio-economic disadvantage.

Registered Social Landlords were involved in engagement process.

3. Does this decision contribute to a cumulative impact?

No.

Part 3: Actions and Outcomes

Considering any negative impacts that you have identified, indicate below how you will reduce these, and how you will monitor potential impact. Further guidance on how to complete your action plan can be found [here](#).

IMPACT ON PEOPLE THAT SHARE PROTECTED CHARACTERISTICS			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner
IMPACT ON WELSH LANGUAGE			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner

SOCIO-ECONOMIC IMPACTS			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner
SUSTAINABLE DEVELOPMENT PRINCIPLE			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner

Once your FEIA is complete, please forward to nccequality@newport.gov.uk

Newport City Council

Newport's Local Area Energy Plan

March 2022

Page 73



Contents

Executive summary	3
Glossary	4
1. Introduction	5
2. Where we are now	7
3. Our vision for Newport's future local energy system	13
4. What needs to happen?	21
5. What are we going to do?	24
6. Governance, monitoring and review	32
Bibliography	33

Page 74



Llywodraeth Cymru
Welsh Government

ARUP



This Plan was prepared by Arup and Afallen on behalf of Newport City Council and funded by Welsh Government.

Executive summary

In November 2021, we at Newport City Council declared an Ecological and Climate Emergency, and committed to supporting the city's journey to net zero carbon by 2050.

This Local Area Energy Plan for Newport sets out a vision for what a zero carbon energy system could look like in 2050, and describes key immediate actions for us as Newport City Council to support our journey.

Our vision for Newport's future local energy system is to:

Develop a net zero energy system for Newport, as a city on the rise.

We will build on our existing strengths as a city, such as our industrial and innovation history and achieve this in line with our well-being plan,

creating job opportunities and being affordable for all. For our analysis we identified a variety of future whole energy systems scenarios for 2050, to help understand the choices and preferred pathways for a net zero local energy system.

There are some uncertainties on the pathway to 2050, but we have identified priority intervention areas, taking these into account (see right). This plan sets out our key actions for the first five years under each of these areas. We will monitor progress towards the end point by monitoring progress towards key outputs.

We recognise that we will need support from a wide range of stakeholders and partners to deliver this plan, and look forward to working with you.

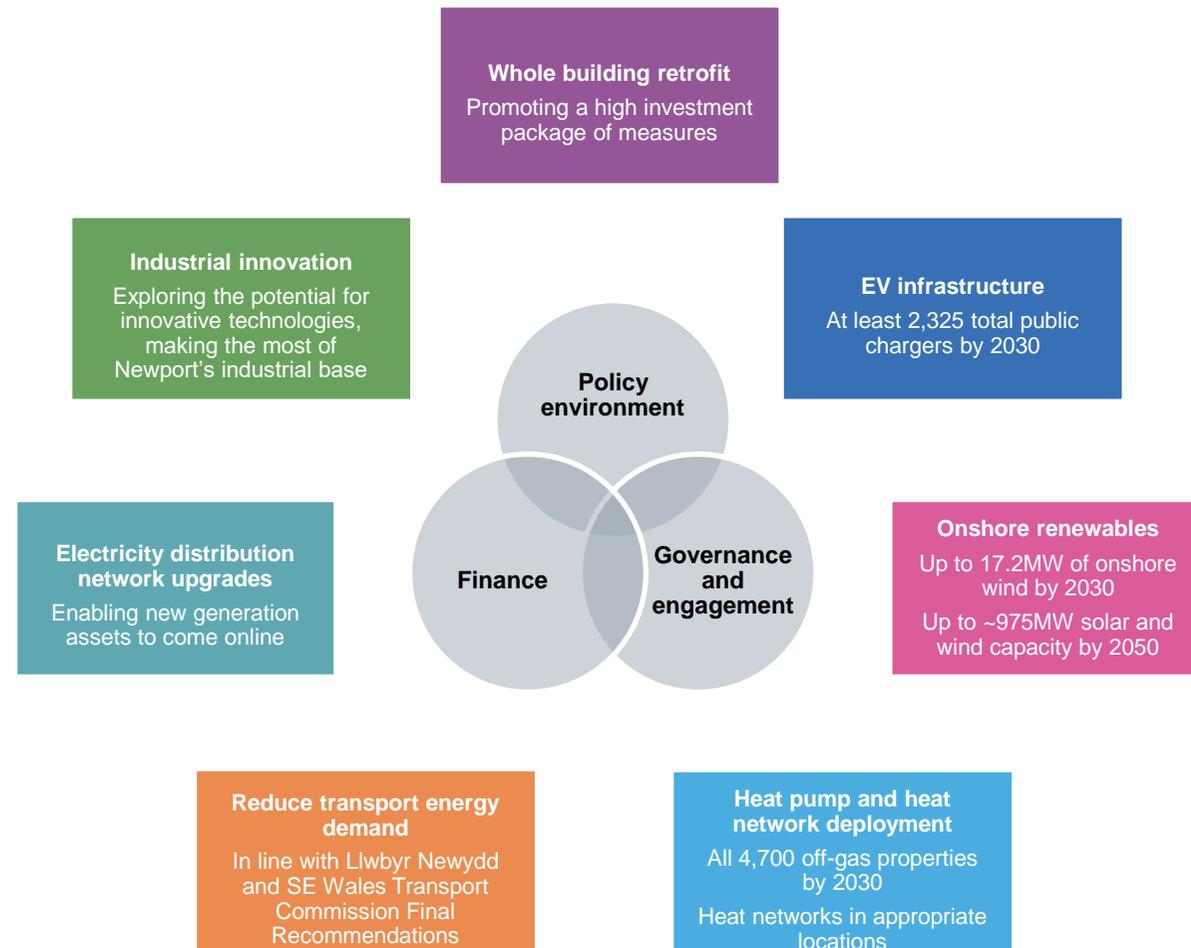


Figure 0: Priority intervention areas in Newport

Glossary of terms

Page 76

Term	Definition
Anaerobic digestion	Processes biomass (plant material) into biogas (methane) that can be used for heating and generating electricity
Batteries	Store electrical energy to be used at a later time
Biomass boiler	A boiler which burns wood-based fuel (e.g. logs, pellets, chippings) to generate heat and/or electricity
Carbon, Capture & Storage (CCS)	The process of capturing and then storing carbon emissions before they enter the atmosphere
Electrolyser	Use electricity to split water into hydrogen and oxygen
Heat pump	Use a heat exchange system to take heat from air or ground and increase the temperature to heat buildings
Hydro-electricity	Use water falling between two reservoirs to turn turbines to generate electricity
Hydrogen	A flammable gas that can be burned, like natural gas, to generate heat or power vehicles. The by-product is water. Hydrogen can also be used in fuel cells to generate electricity.
Landfill gas	Micro-organisms in a landfill site produce gases such as methane that can be used as a source of energy

Term	Definition
LAEP	This is used interchangeably for “Local Area Energy Planning” and “Local Area Energy Plan.”
Methane reformation	Process of producing hydrogen by heating methane from natural gas and steam, usually with a catalyst
Microgeneration	Small-scale generation of heat and electricity by individuals, households, communities or small businesses for their own use
Purchase Power Agreement (PPA)	A contract between two parties where one produces and sells electricity and the other purchases electricity.
Renewable Energy Guarantees of Origin (REGO) Agreement	A scheme that tells consumers what proportion of their electricity comes from renewable sources
Resistance heating	Generate heat by passing electrical currents through wires
Sewage gas	Use a reciprocating gas engine to convert sewage gas into heat and electricity
Solar PV	Convert solar radiation into electricity using photo-voltaic (PV) cells
Wind power	Harness wind to turn a turbine to generate electricity

Introduction

Overview

Introduction

In November 2021, we at Newport City Council declared an Ecological and Climate Emergency and pledged to:

- Continue the good work that we have started and reduce our carbon emissions to net zero carbon by 2030.
- Review the services we provide to ensure they support the city's journey to both net zero carbon and adapting to the impacts of climate change by 2050.
- Develop a clear Climate Change Organisational plan, in consultation with our citizens, for the next five years that will set out the actions we need to take to achieve this.
- Develop a city-wide Local Area Energy Plan, in collaboration with experts from the public, private and third sector to develop innovative solutions to decarbonise heat, electricity and local transport and realise local renewable energy production.
- Work with One Newport partners and the public to develop a city-wide Climate Strategy

to enable city-wide net zero carbon and adaptation to climate change by 2050 and integrate best ecological practice into each area of the council's activity, allowing us to lead the city by example.

- Publicise this declaration of an ecological and climate emergency to residents and businesses in Newport and support and influence action by partners through partnerships and support and enable action by citizens to reduce their own carbon emissions.
- By recognising global, national and local climate change trends and taking measured action now through preparation of a Local Area Energy Plan (LAEP), Newport not only contributes to the decarbonisation of Wales but also sets the standard for net zero carbon planning in local authorities across the United Kingdom.

What is a LAEP?

Our LAEP provides us with an understanding of the nature, scale, rate, and timings of changes that need to be made for Newport's transition to a

net zero energy system.

Following Ofgem's 2020 method, the LAEP process combines robust technical analysis with comprehensive stakeholder engagement to create a routemap for delivering decarbonisation as effectively as possible, identifying actions required by groups including local and national government, energy providers, regulators, industry, and residents.

This process aims to account for the local and national wider conditions to achieve net zero, considering how co-operation with adjacent areas can help to bring success to decarbonising the wider area.

This plan also aims to facilitate increased local stakeholder awareness in Newport, resulting in more widespread and meaningful consent for the changes required and credible commitments to deliver the plan.

Please see the technical report for additional detail about the methodology followed, modelling scope, analysis completed and the results of this analysis.

Introduction

Plan contents

Our LAEP presents our vision for a net zero local energy system in Newport, together with a summary of the evidence to support our vision and a routemap to get there, including a set of actions for us the Council, whilst recognising the role of other key actors in government, the energy sector and across the community.

Plan structure

This plan is structured in three main topic areas:

1. **Where we are now** - Description of Newport's existing energy system and relevant policies and objectives.
2. **Our future vision** - Presentation of future scenarios for a net zero local energy system, including risks and "low regrets" measures, which are very likely to be part of the future energy system regardless of uncertainty around certain aspects of the future.
3. **How will we get there?** - A routemap and action plan for us to use to drive the local energy system transition in Newport, including what needs to happen and what we will do.



Figure 1: An aerial view of the city of Newport

2. Where we are now

Socio-economic context

Newport's socio-economic context

This section provides an overview of Newport through a socio-economic lens, including key statistics on demographic and employment.

Demographic baseline

- The estimated population in 2020 was 156,447 which accounts for almost 5% of the population of Wales. This makes Newport the second most densely populated authority in Wales after Cardiff, at 821.5 people per square kilometre.¹
- Newport sits on the river Usk, close to its confluence with the Severn Estuary.
- The majority of the area is low-lying (< 310m above sea-level,² especially near the river banks and where marshland has been reclaimed, though there are some smaller hills.
- In 2018, fuel poverty affected 9% of households in Newport - lower than the national average for Wales at 12%³.
- Newport constitutes both urban and rural areas, with the city itself bounded by more sparsely populated fringe areas.

Employment

- The city remains an important manufacturing and engineering hub, and is to be part of the M4 high-technology cluster.
- Across Newport and Monmouthshire, the service industry constitutes roughly three quarters of the local economy (measured by Gross Value Added (GVA)), higher than for the rest of Wales where this is ~70%.⁴ Main sectors include health and social care, administrative and support services, retail trade and real estate.
- A slightly lower than average proportion of the economy comes from production, at 19% compared to the national 22%. Manufacturing accounts for 80% of this sector – above average in Wales.⁴
- Construction constitutes a lower than average proportion of the economy, at 6% relative to 7% across Wales,⁴ with a high relative proportion of this from civil engineering.



Figure 2: Location of Newport in Wales

Description	Information
Area	21,770 hectares
Population (2020)	156,447
Population density	Medium – second highest in Wales
Character	Urban and rural
Off-gas properties	Low - 7%
Fuel poverty (2018)	9% of households

Table 1: Newport profile – key statistics

2. Where we are now

Policy context

Newport's policy context

We already have some ambitious plans and commitments currently in place relating to decarbonising the energy system, and also contribute to wider regional and national objectives.

08 06 Newport

Newport accounts for 4.6% of the total carbon emissions from Wales.⁵ The One Newport Partnership is currently developing a response to the climate change agenda for the local authority area.

- The current local development plan (LDP), adopted in 2015, is in effect until 2026. This LDP favours renewable energy schemes, encourages microgeneration sites, and prioritises the development of brownfield sites. As part of this, new development proposals will be assessed, inter alia, in terms of their wider environmental impacts. Work on a replacement LDP, to be adopted in 2026, is currently underway.⁶
- Our Local Well-being Plan aims to improve the city through sustainable development, centred around five key areas:

1. The Newport “Offer” (including a step to support clean local energy use)
 2. Strong, resilient communities
 3. Right skills
 4. Green, safe spaces
 5. Sustainable travel.⁷
- We are a partner in the Western Gateway, which aims to bring sustainable growth and additionality to Wales and the South West. As part of this project, a tidal lagoon proposal is in development in the Severn Estuary area.

Cardiff Capital Region

- Regional economic frameworks such as the Cardiff Capital Region (CCR) City Deal⁸ have climate action as central themes. Note that Newport falls within the CCR.
- A regional energy plan for the CCR Region has been developed that focuses on key decarbonisation measures including reducing emissions from domestic heat and power, industrial and commercial heating, and road transport. The actions in the regional energy plan align with many of those in this LAEP, a

more detailed comparison can be found in the technical report.

National

- Both the UK and Welsh governments have set net zero emissions targets for 2050, and the Welsh public sector has set a net zero target by 2030.
- The Welsh Government has set its low carbon delivery plan for 2021-25 and is targeting a reduction of 44% against a 1990 baseline. It considers a just transition key, and sees decarbonisation as a means to deliver social and economic justice.⁹
- The Well-being of Future Generations (Wales) Act 2015 provides the legally binding framework for public sector activities to be in line with sustainable development principles in Wales, outlining seven goals for prosperity and sustainability.¹⁰
- The Net Zero Wales plan, published in October 2021, includes details on how Wales will achieve the second carbon budget, which sets out the goal to reduce emissions by 37% by 2025.⁹

2. Where we are now

Greenhouse gas emissions context

Historic greenhouse gas emissions

Newport's greenhouse gas emissions have been decreasing over the past 15 years, following the trend of the wider UK emissions. Figure 3 shows emission by sector in Newport since 2005, based on data published by the UK Government.⁵

This trend is due to a reduction in industrial

emissions, as well as decarbonisation of the electricity grid, leading to reductions across the domestic, industrial and commercial sectors. Note that land use, land use change and forestry emissions (LULUCF) are negative and small compared to other sectors (-5.9 ktCO₂e in 2019).⁵

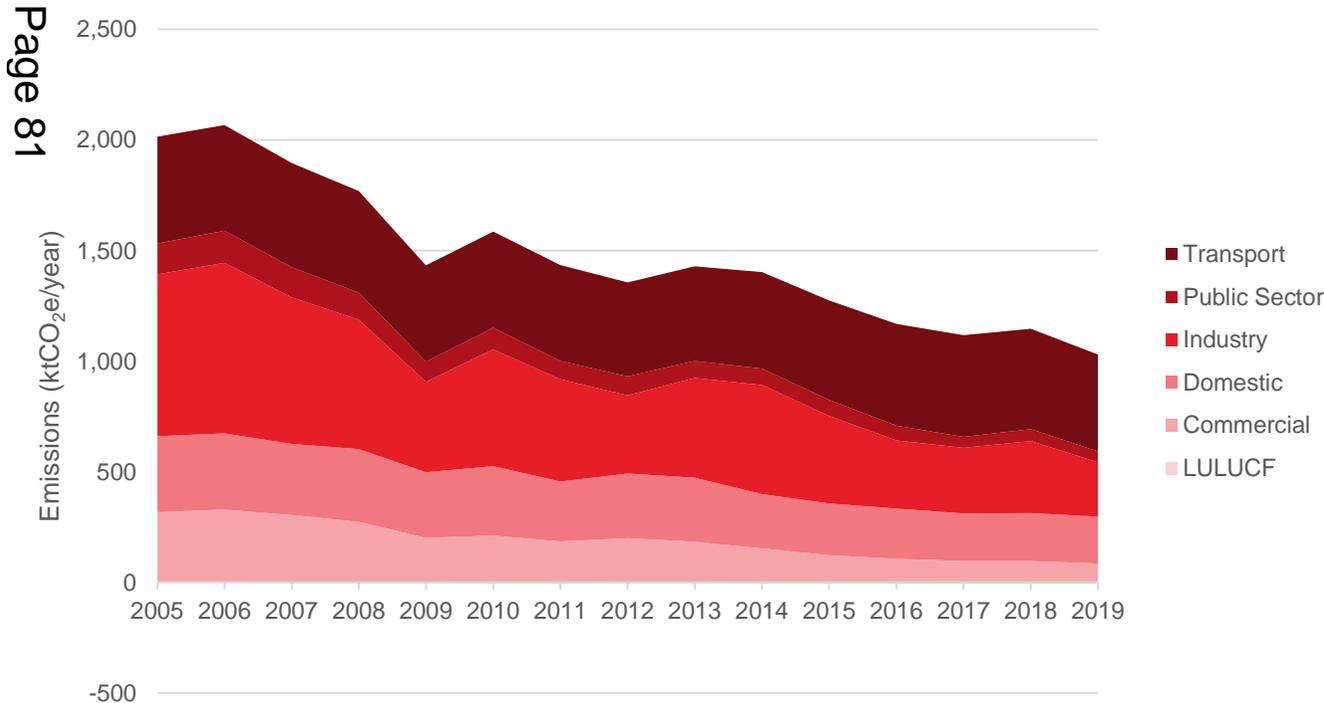


Figure 3: Newport greenhouse gas emissions 2005-2019

2. Where are we now

Local authority control and influence

The boundaries for our modelling and LAEP

We have a varied degree of control and influence over emissions sources. The UK Government reports emissions that are within the boundary of the local authority (territorial emissions), and also notes those that are within the scope of influence for that local authority. In Newport, 16.6% of industry emissions in 2019 were from large industrial installations, which are outside local authority control, (yet still within our scope of influence).

The same is true for emissions from the through journeys on the M4 motorway, which accounts for almost half of Newport's transport emissions, shown in Figure 4. The table to the left shows what was included in the modelling boundary (in green) and what was not (in red), grey shows not applicable.

The LAEP recognises the importance of supporting and influencing elements that are outside our control as the local authority.

Sector	Heat demand included in modelling boundary	Electrical demand or generation included in modelling boundary	Included in LAEP
Industry	Green	Red	Green
Through traffic on M4	Grey	Red	Grey
Offshore wind and tidal lagoons	Grey	Red	Green
National generation assets (over 100MW)	Green Locations were considered for heat networks	Red	Green

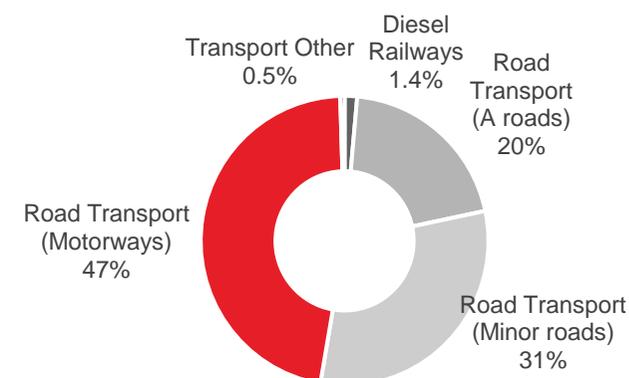


Figure 4: Newport transport emissions split 2019

2. Where we are now

Energy system context

Understanding the energy system in 2021

Newport's energy system today comprises three mainly separate systems for heating, electricity and transportation. Figure 5 provides a "Sankey" diagram which, when read from left to right, shows how different energy sources (i.e. fuels and renewable energy resources) meet various types of demand via energy vectors or conversion technologies. Sankey diagrams are a way of visualising energy transfers between sources and demands via carriers.

The majority of heating comes from gas, while almost all transport demand is currently met by petrol and diesel. Electricity is predominantly imported to Newport from the National Grid.

In this diagram, local sources of renewable electricity have been shown separately from National Grid imports, even where these local sources are connected to the grid.

In order to achieve our net zero ambitions, we need to move away from using natural gas, diesel and petrol. This poses a challenge.

Demand for electricity in transport is excluded from this diagram because it is currently negligible.

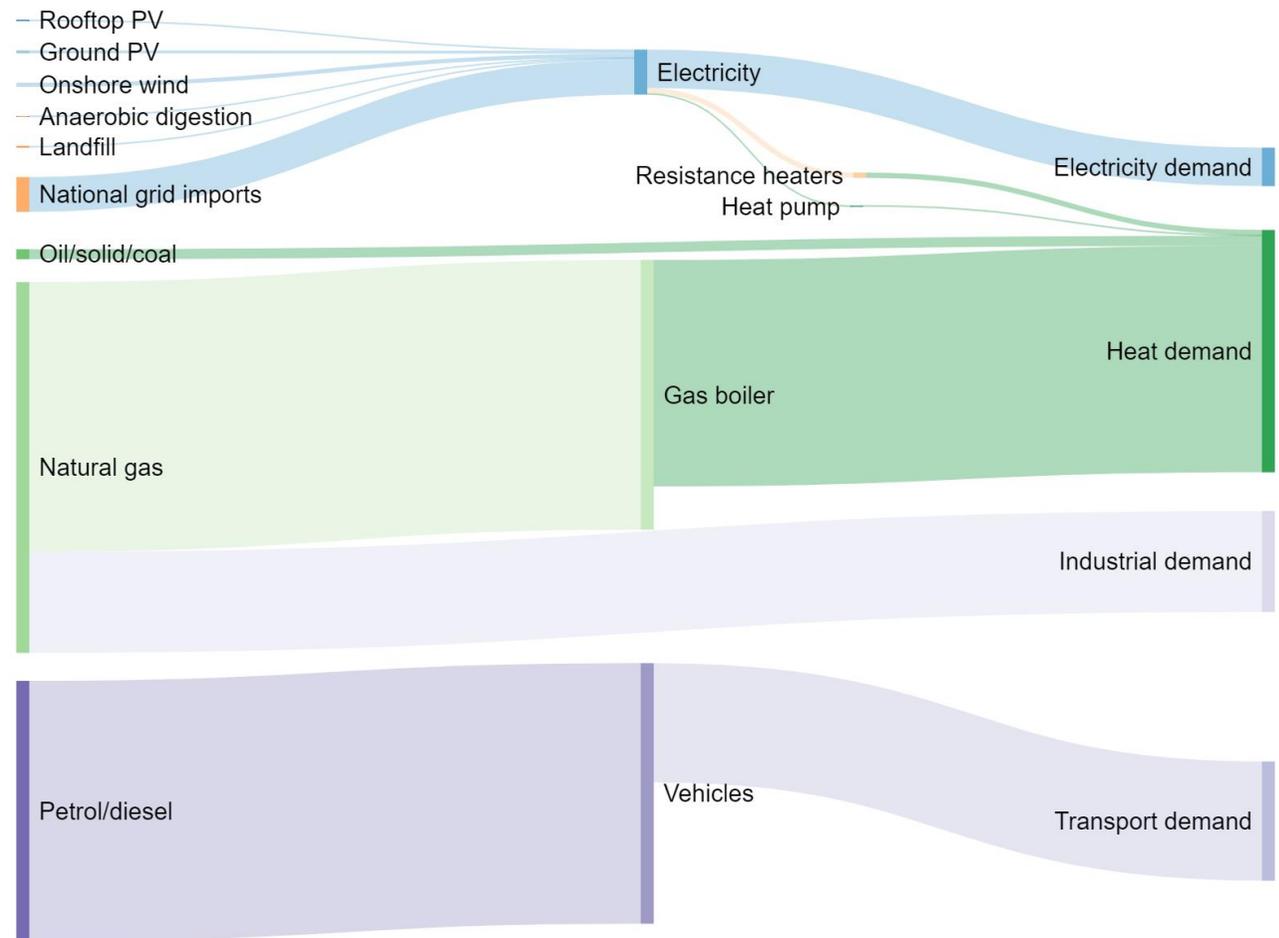


Figure 5: Sankey diagram of energy flows

2. Where we are now

Energy system context

Current energy consumption

In 2018, Newport's total energy consumption from all fuel types across commercial, domestic and all industrial sectors totalled 4,500GWh, about 5% of Wales's annual consumption.¹¹ This amounted to 1,100ktCO₂ of emissions in 2018.¹²

Electricity

Newport's domestic electricity consumption, in 2018 totalled 200GWh.¹¹ The distribution of electricity consumption is shown in Figure 6. Note that industrial electricity (totalling 600 GWh combined with commercial) is assumed to be a national asset and has been excluded from our modelling because the local authority has limited control over it, and it impacts the national system rather than the local system. In 2018, Newport generated 175GWh of renewable energy (65% of its demand). The majority of this was generated from biomass, with other contributions from onshore wind, solar PV, and landfill gas.¹¹

Heat

Newport's 2018 heat demand was 1,900GWh, including domestic demand, non-domestic demand, and the demand from large industrial

actors that are included in the LAEP boundary. The geographical distribution of this heat demand is shown in Figure 7. The heat demand was met by a combination of fuel types including mains gas, electricity, biomass, and other fossil fuels. Approximately 7% of homes are off the gas grid, compared to 19% off gas properties for the whole of Wales.¹³

Transport

In 2019, the total energy demand from transport in Newport was 1,600GWh, of which 99% was accounted for by road transport. This figure does not include demand for vehicles passing through Newport on the M4, which has been excluded from the analysis in this study. Our technical report shows the distribution of transport demands across Newport, split by mode type.¹⁴

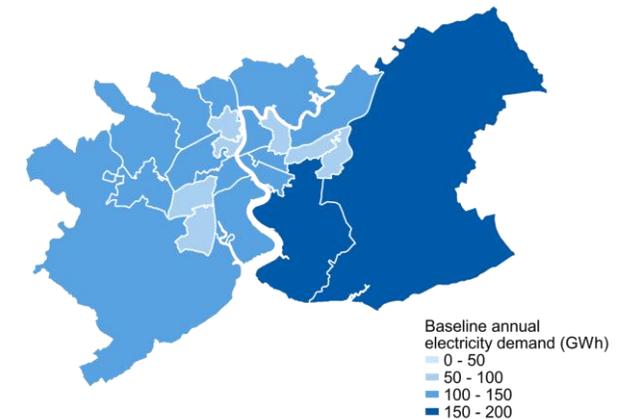


Figure 6: Baseline electricity demand by MSOA

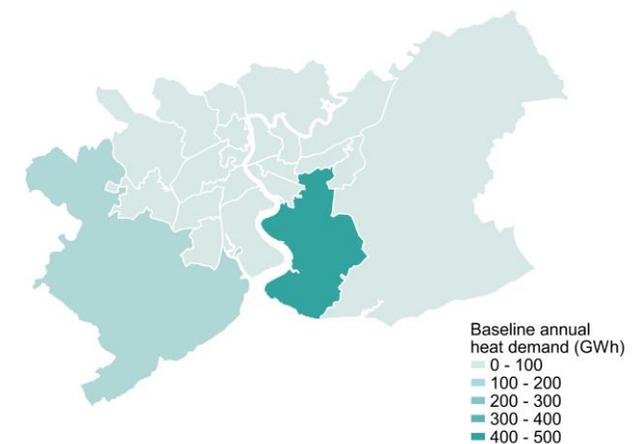


Figure 7: Baseline heat demand by MSOA

2. Where we are now

Energy system context

Key energy projects

There are existing and proposed energy assets in Newport that make a significant contribution to the local and national energy system.

The now-dormant fossil fuel power stations at the Severn Power and Uskmouth sites have large grid connections and present an opportunity for development of a new low carbon energy generation facility to make use of this underutilised grid resource.

An energy from waste plant has been proposed at the Uskmouth site that would be fuelled by waste-derived fuel pellets.¹⁵ The project has been referred to Welsh Government for approval.¹⁶ If approved, the facility would be a source of low carbon heat which could serve local heat loads in place of more carbon intensive gas heating.

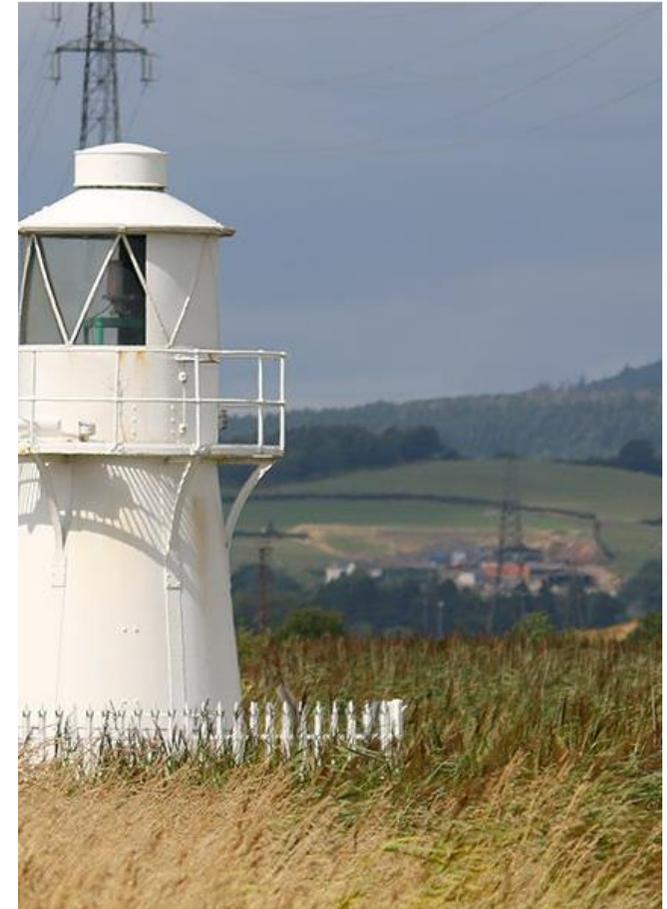
Heat network studies have identified two areas of Newport where low carbon heat networks would be feasible. These are described in more detail in the technical report.

Recently in 2020, planning applications were submitted for two solar farms that were considered Nationally Significant Infrastructure

Projects (NSIPs).¹⁷

Planning permission was granted in 2020 and construction completed in 2021 for a 75MW solar farm at Llanwern, which is claimed to be the largest subsidy free solar farm in the UK.¹⁸

The planning application for the other large solar farm, a proposed 62.5MW installation with solar PV and battery located on the Gwent Levels, was not approved. While the planning inspector recommended that planning permission be granted, in September 2021, Welsh Ministers rejected the application on the basis of unacceptable impact to the Gwent Levels landscape of outstanding historic interest.¹⁹



East Usk Lighthouse and Newport Wetlands on the Gwent Levels

3. Our vision for Newport's future local energy system

Our vision

To develop a net zero energy system for Newport, as a city on the rise.

Objectives of the plan

- *To maximise reductions in carbon emissions while minimising financial costs.*
- *To provide a resilient energy system capable of meeting future energy demand.*
- *To empower the local economy, through increasing access to local employment and promoting local ownership and supply chains.*
- *To support the creation of quality and long-lasting local job opportunities.*
- *To provide community engagement, leadership, and ownership.*
- *To deliver affordable solutions for all.*

As a local plan, this LAEP focuses on actions and objectives at a local scale rather than accounting for national interventions beyond our influence as the council. We will need to work collaboratively with partners across the public, private and third sectors in order to deliver on our objectives.

Understanding the future energy system

We know that we need to transition our energy system in Newport to net zero by 2050.

However, we know that there are multiple plausible and attractive future energy systems for Newport, depending on a range of factors. This includes how the cost of technologies might change over time, as well as wider policy decisions that will be made by Welsh and UK Governments. These factors will influence the uptake of hydrogen, for example.

In order to inform our plan, we modelled a range of scenarios, and from this we identified a number of technologies that are consistently deployed across all future scenarios. These technologies represent low- and no-regrets actions which are

very likely to be important parts of the future energy system, regardless of the uncertainty around certain aspects of the future. These low- and no-regrets actions can be taken now to set Newport on track to a net zero carbon future.

Through this analysis, we identified the commonalities that will support us in meeting our vision and objectives. This forms the basis of our plan. We know that these actions will be required regardless of any future uncertainties.

3. Our vision for Newport's future local energy system

Future scenarios and pathways

2050 system scenarios

For our analysis we identified a variety of future whole energy systems scenarios for 2050, to help understand the choices and preferred pathways for a net zero local energy system. The scenarios built on a pair of energy demand scenarios (high and low, see figure 12). The projections

incorporated both different projections of growth in Newport and different scenarios for energy efficiency through building retrofit.

The Sankey diagrams on the following pages (Figures 8-11) show a mix of energy sources and vectors that most optimally meet the projected demand over the year, given the conditions set in each scenario. We have optimised for the lowest whole system costs to achieve net zero. Careful consideration will be required in order to distribute these costs fairly in order to deliver a just transition.

Each of these diagrams represents a potential energy future for Newport, and these have been considered alongside local and regional strategic priorities to identify the actions described in this report. The four main scenarios modelled were:

- High demand – high population and economic growth and shallow retrofit
- High demand with high hydrogen uptake
- High demand in an islanded scenario (i.e. where Newport is not connected to the national electricity grid)

- Low demand – low growth and deep retrofit

Comparison of all of these with the baseline scenario shown in figure 5 highlights a key fundamental change in the energy system: moving from three semi-isolated systems for heat, electricity and transport to a single energy system with the complex interconnections between energy vectors.

Note that the industrial demands shown in the Sankey diagrams correspond to gas consumption. Electricity demand for large industrial installations have been excluded from this modelling.

For more information, please refer to the technical report for additional detail about the methodology followed, analysis completed and

the results of this analysis.

Energy transition pathway scenarios

We developed a set of pathway scenarios to show the rate at which the energy system change impacts on our ability to reduce associated carbon emissions. These scenarios have been prepared using estimates for the rate of demand increase and potential decarbonisation deployment rates.

The central future emissions projection is based on National Grid Future Energy Scenarios (FES) projections of national grid decarbonisation²⁰, with two additional scenarios, showing a higher and lower ambition. These scenarios demonstrate the rate and scale of change required at both a local and national level.

The pathways scenarios are illustrated in figure 13 on page 17.

3. Our vision for Newport's future local energy system

Future scenarios and pathways

Future Sankey diagrams

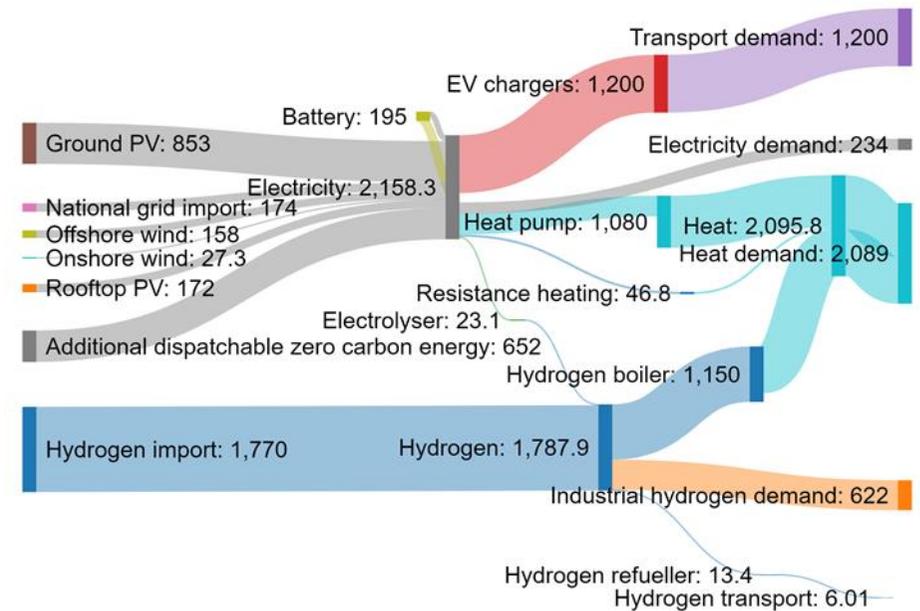
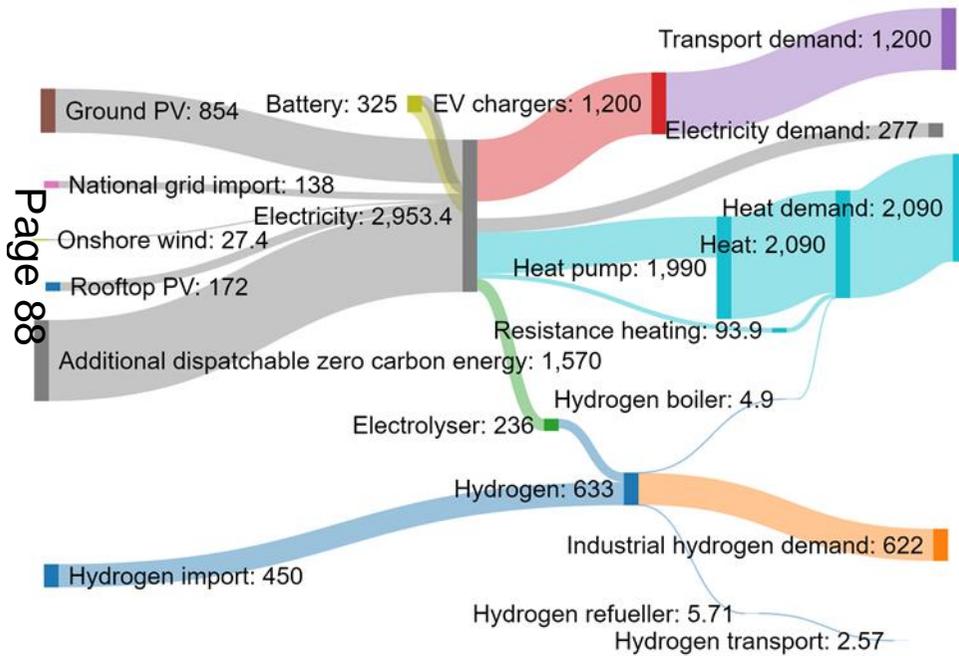


Figure 8: Energy flows in the 2050 high demand scenario (GWh/year)

Figure 9: Energy flows in the 2050 high hydrogen scenario (GWh/year)

3. Our vision for Newport's future local energy system

Future scenarios and pathways

Future Sankey diagrams

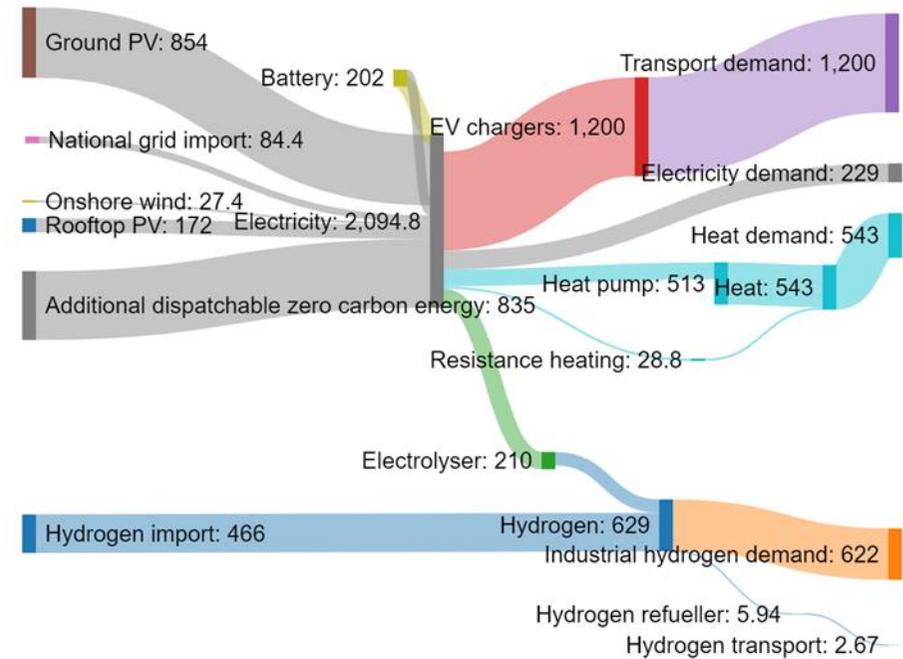
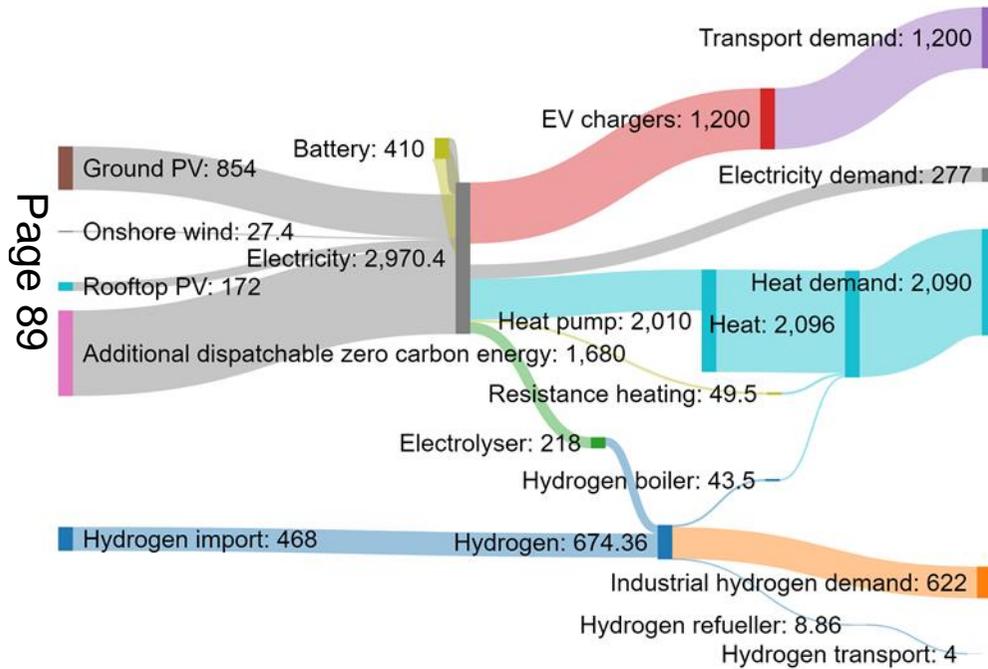


Figure 10: Energy flows in the Islanded 2050 high demand scenario (GWh/year)

Figure 11: Energy flows in the 2050 low demand scenario (GWh/year)

3. Our vision for Newport's future local energy system

Energy and emissions pathways

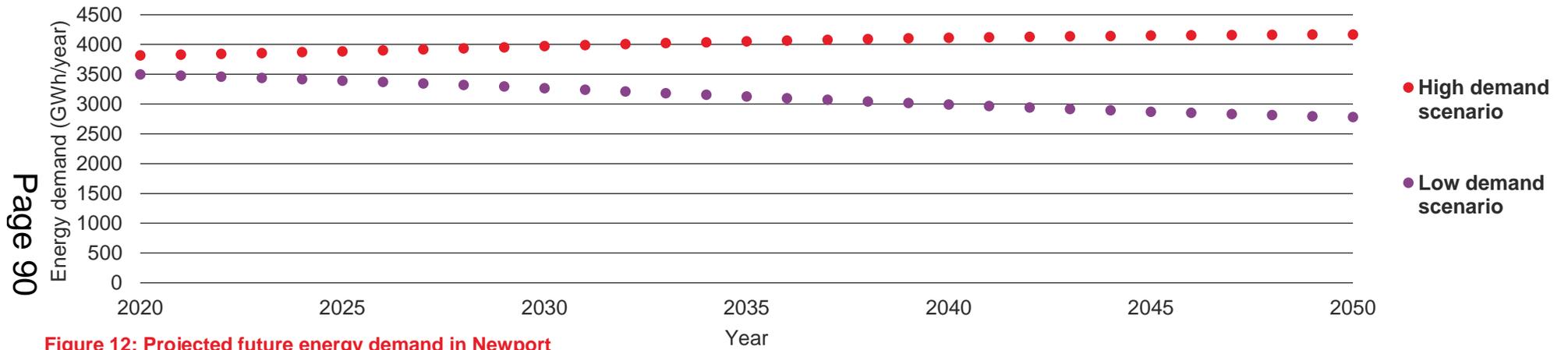


Figure 12: Projected future energy demand in Newport

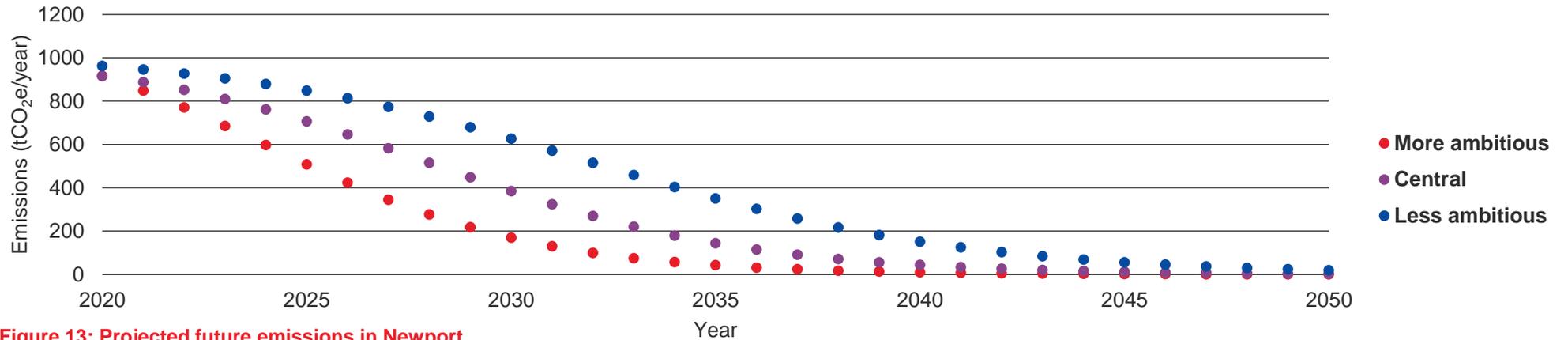


Figure 13: Projected future emissions in Newport

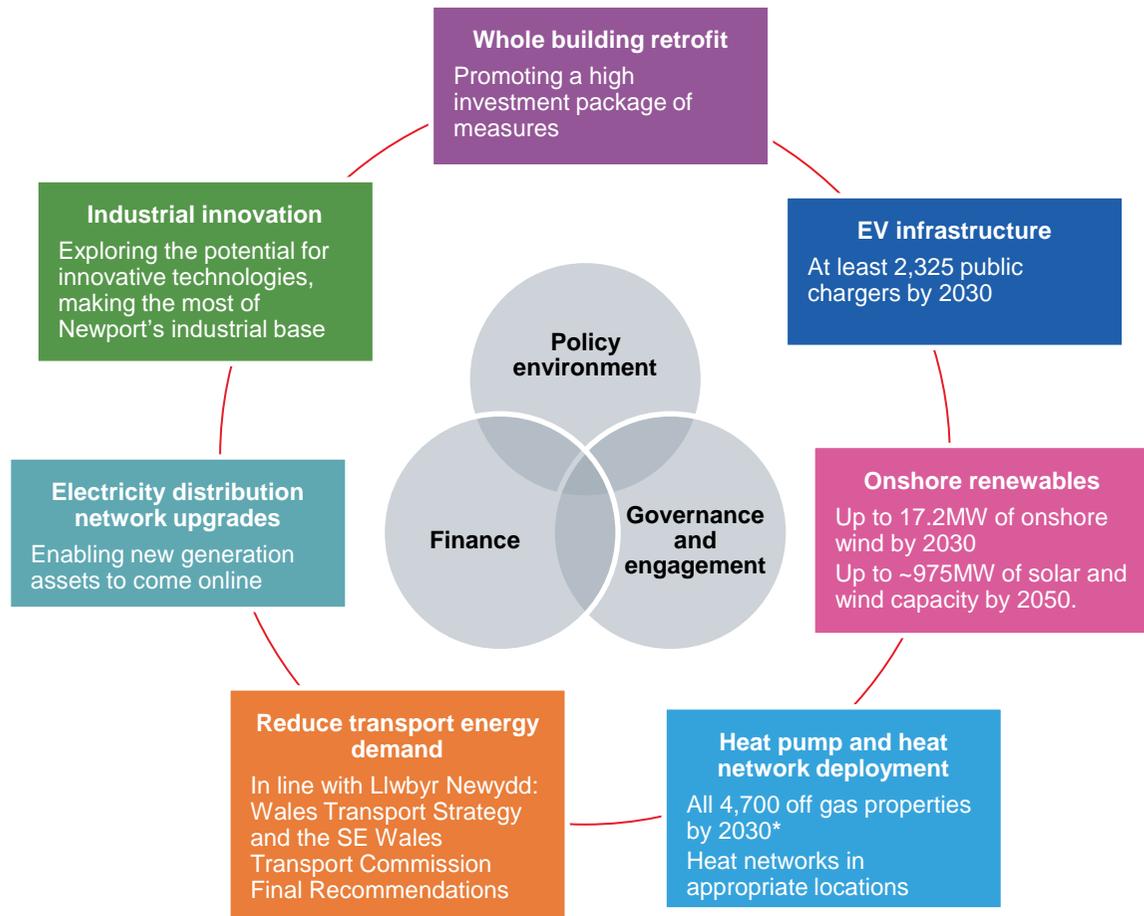
3. Our vision for Newport's future local energy system

Priority intervention areas

Based on the evidence developed for our plan (see our technical report), our priority intervention areas are set out to the right.

These represent the areas where we need physical changes to the energy system.

Delivery of the wider objectives of our plan will need to be supported by the right governance and engagement, policy environment and finance.



* Following a decision by the UK Government on hydrogen for heating (expected in 2026), accelerated action can be planned for decarbonisation of heat in properties currently on the gas grid

Figure 14: Priority intervention areas in Newport

3. Our vision for Newport's future local energy system

Priority intervention areas

We plan to deliver actions to support physical changes to the energy system as follows:

1. Whole building retrofit

Reducing energy demand of buildings through retrofit minimises the need for development of new generation assets, and potential associated grid reinforcements. Reduction in energy demand will also reduce energy bills, which will help us to support fuel poor neighbourhoods across the city. With a high number of traditional and older buildings in Newport there are particular challenges around building upgrades.

There are a suite of interventions possible with varying levels of investment. Through community engagement, government incentives and planning measures we will encourage the private sector to pursue high investment in retrofit, which includes external, loft and under floor insulation measures, smart metering, window sealing, external solar devices, triple glazing and air tightness. We aim that by 2035, just over 1/3 of homes (21,500 properties) will have these measures installed, representing approximately £1.16 billion of investment. This exceeds CCR targets of raising Energy Performance Certificate (EPC) standards in 25% of homes by 2035.

2. Development of public EV charging infrastructure

The Welsh Government EV strategy shows that Newport requires a mix of rapid and fast public chargers located at workplaces, destinations and other hubs. Our modelling results support the electrification of transport and thus the

scaling up of public EV charging infrastructure. The proportion of fast and rapid public chargers depends on which service emerges as dominant. However, by 2025, at least 80 rapid chargers and at least 1,120 fast chargers are needed, and by 2030 at least 145 rapid and a total of at least 2,325 public chargers will be needed.

3. Electricity distribution network upgrades

Network upgrades are a priority intervention to allow new generation assets to connect to the distribution electricity network.

4. Development of onshore renewables

Scaling up of onshore renewables is an essential component of meeting Newport's future energy demand. Current market conditions and trends suggest ground PV is the least expensive to deliver. In the highest electricity demand scenario, we project that up to 958MW of ground and rooftop PV and 17.2MW of onshore wind is needed. This represents an additional ~935MW of capacity in addition to current assets. There is limited capacity to extend the already existing 16.1 MW of onshore wind.

5. Industrial innovation programme

Newport's industrial installations are projected to require significant amounts of hydrogen to decarbonise their processes. The proposed industrial innovation programme will explore innovative technology options including methane reformation with CCS. The historic grid connections in Newport provide an opportunity to encourage innovation and explore a range of zero carbon

energy options that will be required to meet the identified electricity need, and there are potential industrial symbiosis and waste heat opportunities.

6. Decarbonisation of heat through heat pump deployment and heat networks

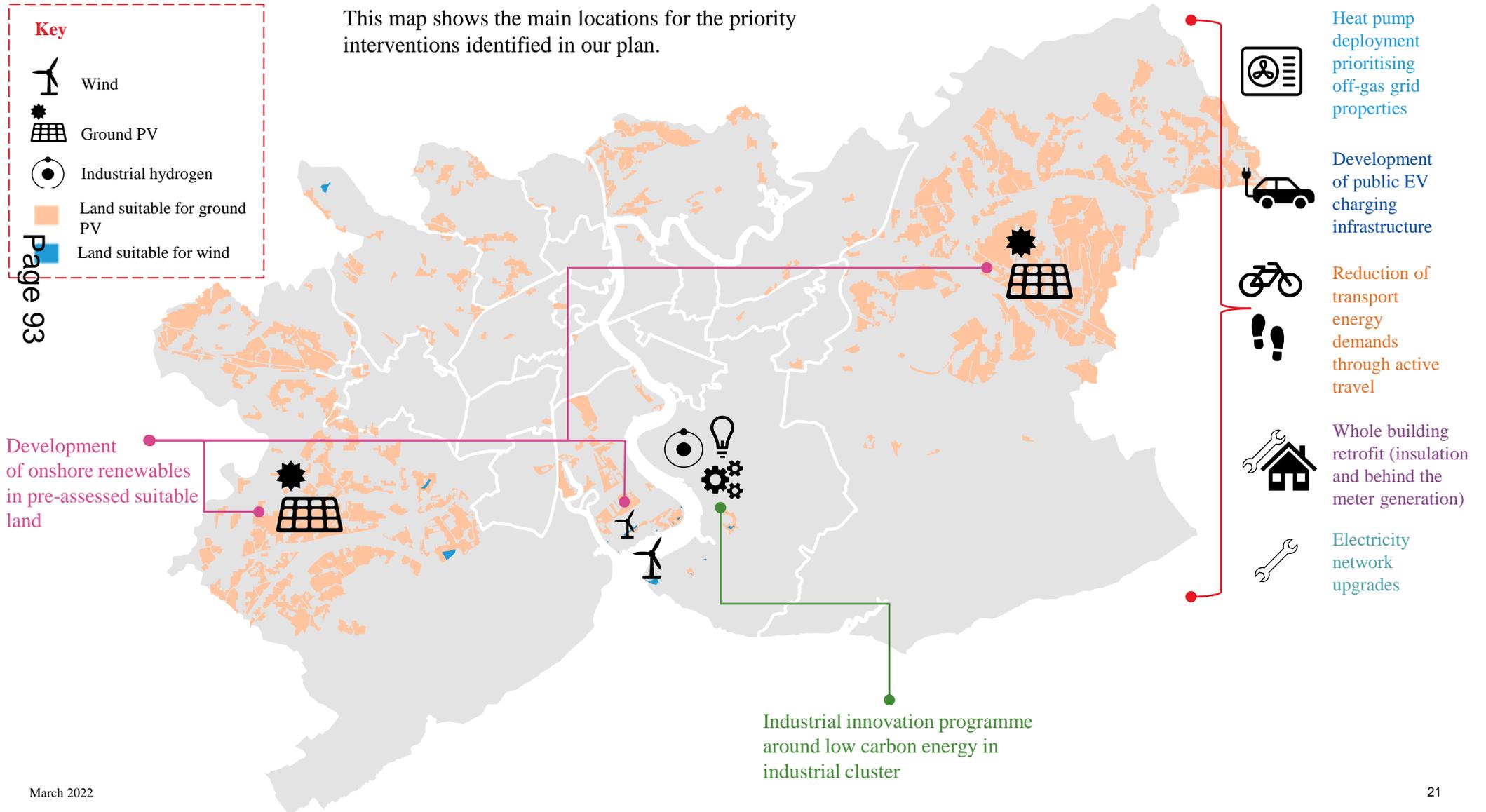
There are an estimated 4,700 properties off the gas network in Newport, many of which are heated by carbon intensive fuels. In order to maximise carbon savings and avoid the need for additional gas infrastructure, these properties will be prioritised for air and ground source heat pump installations. The uncertainty regarding hydrogen in the gas grid make off-gas properties our initial focus. Further information on the geographic focus for this is set out on page 28.

Heat networks could provide a valuable opportunity for decarbonising heat supply in Newport, including in properties already on the gas network.

7. Reduction of transport energy demand through active travel measures

The Welsh Transport Strategy sets a transport hierarchy – giving priority to meeting transport demand through active travel and public transport, before private vehicles. As outlined in the SE Wales Transport Commission Final Recommendations, reducing our reliance on energy intensive modes of transport is critical, not only because it supports goals in the Well-being of Future Generations Act, but also because it will free up electrical energy needed for heating.

3. Our vision for Newport's future energy system



Page 93

4. What needs to happen?

Joined up action and ensuring conditions for success are met

A high level routemap showing the actions that we will undertake, in the context of Welsh and UK Government targets and decisions, is shown overleaf. This provides an overview of how the LAEP fits in the wider policy context and direction of travel for energy system decarbonisation.

The actions fall under the following priority intervention areas as set out in Section 3:

Enabling actions

1. Whole building retrofit

2. Development of public EV charging infrastructure

3. Electricity distribution network upgrades

4. Onshore renewables

5. Industrial innovation program

6. Heat pump and heat network deployment

7. Transport energy demand reduction

The priority interventions identified sit within this high level routemap. They require joined up but differentiated efforts by the stakeholders identified in this LAEP.

Although the exact form of the decarbonised energy system in 2050 is uncertain, there are actions we can take now to maintain the ability to meet our 2050 and interim targets, and to reduce the longer term carbon output of the system.

The routemap provides a focused view of actions that will be taken in the coming decade, while also showing key milestones on the decarbonisation trajectory to 2050.

Each intervention requires four key elements to be successful:

1. Mobilising finance
2. Strong and consistent policy frameworks
3. Delivery owners
4. Community engagement.

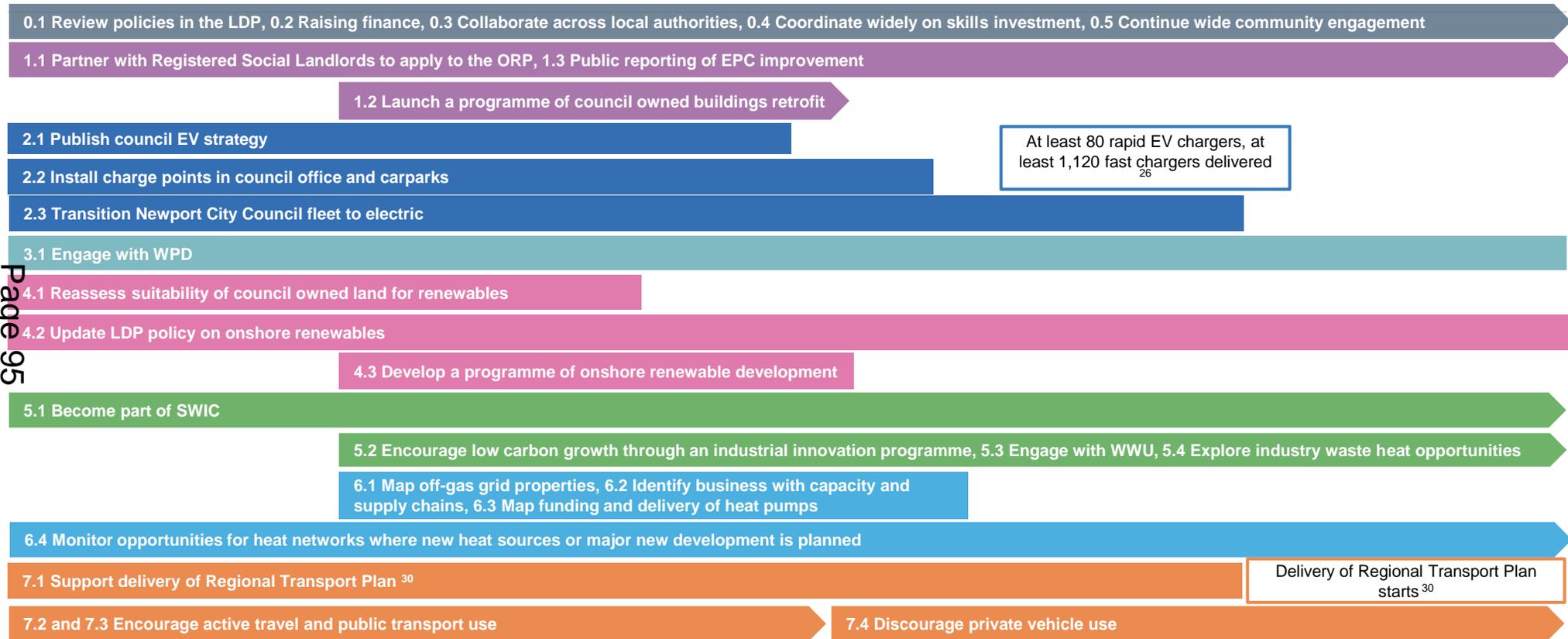
As Newport City Council, our role in each intervention will vary. Some interventions call for council action in the material delivery of

programmes, whilst other interventions require the council to act more as a facilitator for market driven change.

We recognise and support Welsh Government's local ownership ambitions on renewable energy²¹. We also believe that local ownership and direct engagement in other decarbonisation technologies, such as EV charging and retrofit will help speed up the transition.

The following section provides further detail on each of the actions that we will undertake in the first five years under each intervention area, as well as our key asks of others. We recognise that we will need to learn from these initial actions and quickly scale up to deliver more in order to respond to the pace of change required.

4. What needs to happen? Short term routemap



At least 80 rapid EV chargers, at least 1,120 fast chargers delivered ²⁶

Delivery of Regional Transport Plan starts ³⁰

Page 95



Welsh Optimised Retrofit program to set standard for retrofit schemes ²²

Renewable energy local ownership requirement in Wales ²³

Launch of UK industrial fuel switching competition ²⁴

37% emissions reduction in Wales from 1990 levels ²⁷

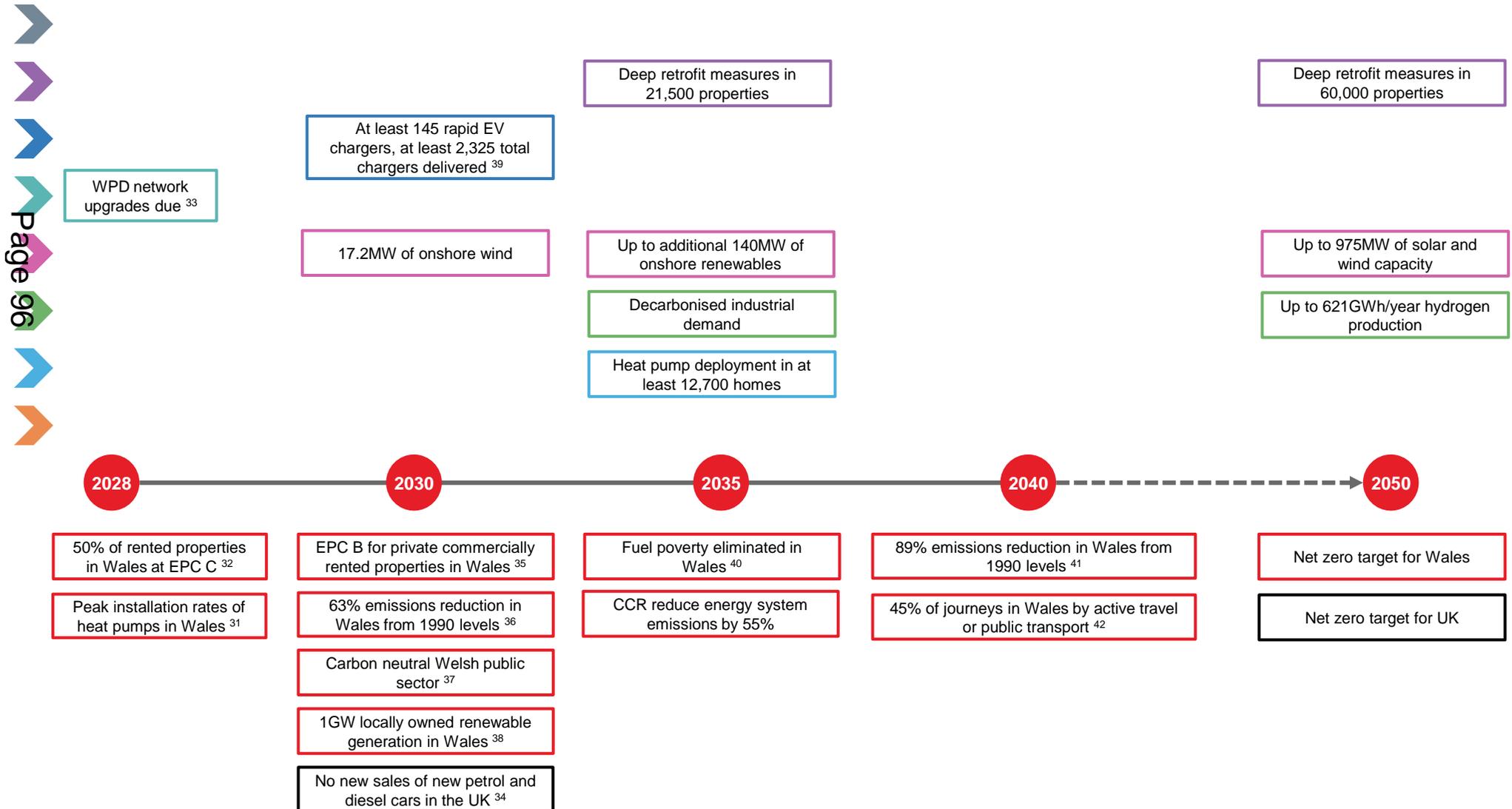
20,000 low carbon rental homes built in Wales ²⁸

Ambition to deliver 1GW hydrogen capacity UK-wide ²⁹

No new homes connected to gas grid in UK ²⁵

UK decision on hydrogen in the gas network

4. What needs to happen? Medium-long term routemap



5. What are we going to do?

Our actions and asks from others

1. Action on whole building retrofit (insulation, efficiency measures and behind the meter generation)

We need to retrofit all homes and buildings, across different tenures and ownership types. Our initial actions will target those where we have greatest influence.

Action 1.1 Partner with Registered social landlords (RSL) to apply to the Optimised Retrofit Programme (ORP). We will partner with registered providers of social housing to monitor plans for future phases of the ORP and put in an application if/when appropriate.

Benefit Learnings from retrofitting the social housing sector will support the development of approaches to decarbonising private rented and owner occupied sectors. Prioritising work on social housing properties is progressive and will also help accelerate the growth of Welsh small and mid-sized enterprises (SMEs) in this market.

Timescale 2022-ongoing

From others we need Co-ordinated efforts by Welsh Government and skills bodies to address the skills and materials shortage in the construction sector. Funding may be needed for a dedicated role to coordinate this action.

Action 1.2 Launch a programme of council owned buildings retrofit. We will design and

launch a programme of building retrofit focusing on council owned buildings.

Benefit This will support the CCR priority area to deliver fabric improvements in existing buildings. Learnings from retrofitting public sector buildings will support the development of approaches to decarbonising the private sector.

Timescale The development of the programme and establishing costs is already underway, and the programme of works will launch in 2022.

From others we need Grant funding to support the transition to low carbon heat from gas boilers.

Action 1.3 Public reporting of level of EPC improvement. We will publicly report against progress to improve the privately rented domestic and commercial building stock

Benefit Public reporting will hold us to account and ensure that minimum requirements are met.

Timescale Underway and ongoing



5. What are we going to do?

Our actions and asks from others

2. Action on development of public EV charging infrastructure

Action 2.1 Publish council EV

strategy/approach. As Newport City Council we will set out priority geographical areas for the roll out of EV charging infrastructure.

Benefit Setting out the priority areas will enable the systematic and transparent roll out of the technology, in order that it reaches residents without off street parking. This will support the CR ambition to develop EV charging infrastructure.

Timescale Already underway and to conclude in summer 2023.

From others we need Advice from the Local Government Association and others on considering different management and ownership frameworks will be valuable. Continued funding to support rollout and access to non-council owned parking areas.

Action 2.2 Install charging points in council offices and car parks. We will install fast and rapid EV chargers across council owned offices and car parking facilities

Benefit This will signal council intent, and provide a testing ground for the delivery of public EV infrastructure in the local authority, supporting the wider take up in market driven schemes elsewhere.

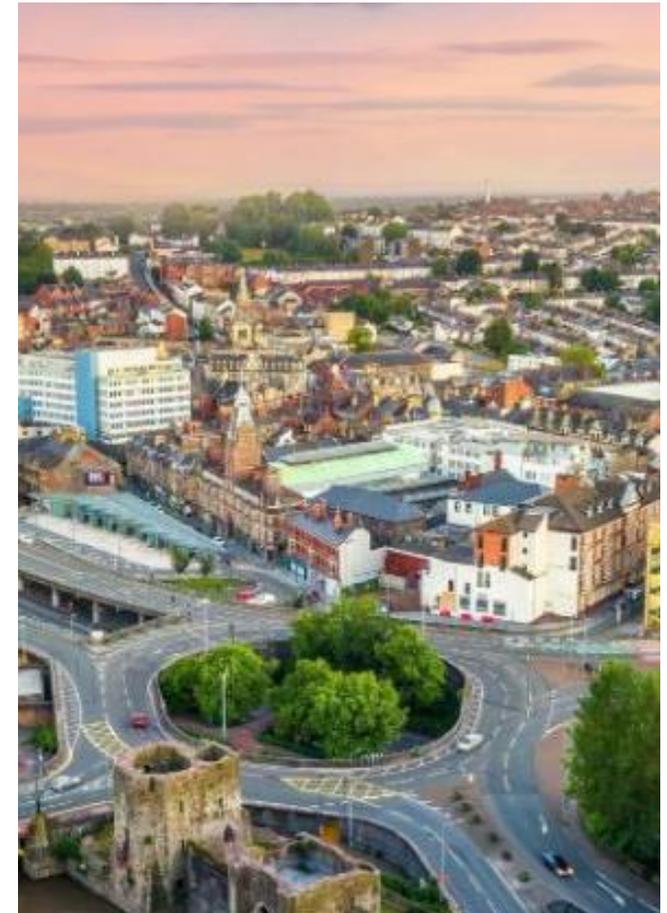
Timescale All council car parks already have EV charging in place. We will continue to deliver charging points in all council office parking spaces from January 2022 to January 2024.

From others we need We need technical advice on grid connections from WPD and installers, access to funding sources to support charging infrastructure, as well as extra resources (capital and revenue) to increase the pace of installation.

Action 2.3 Transition our owned fleet of vehicles to electric.

Benefit This will signal council intent on the transition to electric vehicles.

Timescale This is already well underway. We will transition the fleet of council owned vehicles by 2025.



5. What are we going to do?

Our actions and asks from others

3. Action on electricity distribution network upgrades

Action 3.1 Engage with WPD. We will engage early with WPD regarding the connection of new generation assets in advance of their next price control - RIIO-ED3 (Revenue, Incentives, Innovation & Outputs: Electricity Distribution) which will run from 2028 – 2033. We will endeavour to share this plan as part of a consultation for ED-2.

Benefit This will ensure network upgrades for Newport are prioritised.

Timescale To start now, ongoing until 2026.

From others we need More detailed programme design needs to be undertaken to finalise delivery plans for network enhancements.

4. Action on onshore renewables

Action 4.1 Reassess suitability of council owned land for renewables. We have already been through our council land and identified areas for development – we will continue to look at LA land and identify opportunities.

Benefit This will maximise the opportunity for

renewable energy development whilst minimising the expenditure of the public sector.

Timescale This will be a year-long process starting in early 2022.

From others we need: Support and buy in from the local community for enhancing the generation assets around Newport.

Action 4.2. We will update policy in the local development plan (LDP) on the development of onshore renewables and produce clear guidance to potential developers on our expectations for local ownership, commercial arrangement, environmental stewardship and co-benefits

Benefit Updating policy in the LDP will provide the market with a clear signal about the appetite for development within Newport.

Timescale Already underway, to conclude by 2026.

Action 4.3 We will develop a programme of renewable energy development with appropriate commercial models. We will learn from the successes and failures of previous renewable energy planning applications and consider the merits of different ownership strategies and commercial models from self-developing land, to acquiring a finished or a commissioned project from a third party. This evidence can be used to support the development of the LDP update to consider the most appropriate models to meet the needs of Newport.

Benefit Developing a plan for renewable energy development and the risks and benefits of different ownership models will streamline council decision making. This will support the CCR action to encourage local development of renewable energy projects.

Timescale This will be completed in financial year 2022-2023.

5. What are we going to do?

Our actions and asks from others

5. Action on industrial innovation program

Action 5.1 Become part of SWIC to enable greater collaboration with industry. We will work towards partnering with the South Wales Industrial Cluster to ensure that Newport priorities are met.

Through connections made, we will facilitate introductions and seek opportunities for pilot projects on industry decarbonisation across our geography.

Benefit Gaining a seat in discussions about the future direction of industry in South Wales more broadly will enable us to link up with industry, ensure co-ordinated action and joined up priorities.

Timescale Immediate start and ongoing with the SWIC programme.

From others we need Co-operation from SWIC.

Action 5.2. Promote Newport as a potential site for innovation around low carbon energy.

We will engage innovative energy technology stakeholders and encourage them to consider

Newport as a potential site for cutting edge renewable generation technologies. We have large industrial users who could be pilot sites for hydrogen use and production, we have assets such as the Severn Power and Uskmouth sites which have large grid connections, which could be attractive investment opportunities. We also recognise that road freight transport has significant impact on emissions and we will look for opportunities in industrial innovation to decarbonise in this area.

Benefit An investment in innovative renewable energy technology in Newport would site generation assets in a cluster of demand and also retain the economic benefits.

Timescale 2022 and ongoing

Action 5.3 Engagement with WWU. We will engage early with WWU regarding the hydrogen network required to support industry and the potential for hydrogen fuelled vehicles (likely HGVs) in advance of their next price control - RIIO-GD3 (Revenue, Incentives, Innovation &

Outputs: Gas Distribution) which will run from 2028 – 2035.

Benefit This will support the prioritisation of appropriate network upgrades for Newport

Timescale To start now, ongoing until 2028.

From others we need More detailed programme design needs to be undertaken to finalise delivery plans.

Action 5.4 Explore industry waste heat opportunities. We will seek opportunities for industrial symbiosis and use of waste heat.

Benefit This will enable efficient use of waste heat, minimising the need for additional new generation.

Timescale Ongoing.

From others we need Industrial waste heat producers to share plans with potential heat users to enable opportunities to be captured.

5. What are we going to do?

Our actions and asks from others

6. Action on heat pump and heat network deployment

Action 6.1 Map off-gas grid properties and their ownership types. We will map in more granular detail the off and on gas grid properties and their ownership types to prioritise properties for fuel switching.

Benefit This mapping exercise will enable us to prioritise properties for intervention based on ownership type and heating fuel source. It will also allow us to identify the extent of electric infrastructure upgrades needed to enable heat pump installation.

Timescale Commit to start in Summer 2022.

From others we need We ask that Welsh Government further incentivises households off the gas grid to switch their domestic heating system, either through taxes on solid fuels, incentives, or mandating heating retrofit measures in critical parts of the buildings lifetime such as change of owner or tenant. We also require funding for a post to lead on heat pump deployment across Newport.

Action 6.2 Identify business with capacity and wider supply chains. We will identify and champion local businesses and SMEs with the capacity and skills to deliver installations of heat pumps in off-gas grid properties, prioritising those transitioning from high carbon intensive industries.

Benefit This will support the development of low carbon jobs in Newport and a just transition.

Timescale Commit to start in Summer 2022.

From others we need Support from further education colleges and providers to analyse training needs, develop and deliver courses for heat pump installations.

Action 6.3 Map out funding and delivery options. We will map out existing funding and delivery opportunities for heat pump deployment at both a national and local level.

Benefit This exercise will help us identify and unlock potential funding opportunities for heat pump deployment across Newport.

Timescale: Commit to start in Summer 2022.

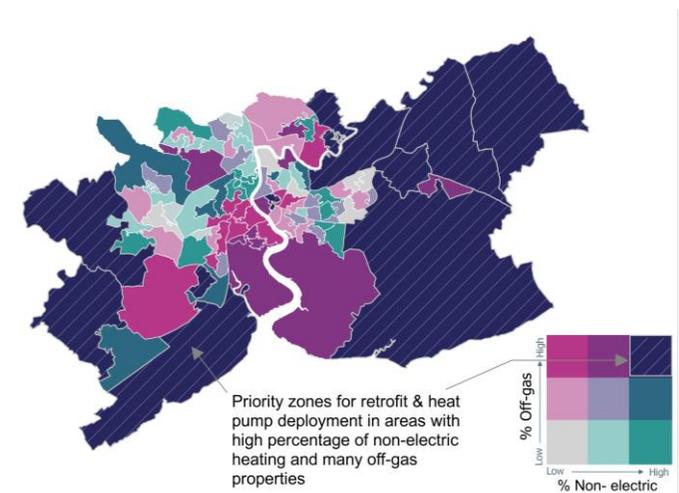


Figure 15: Priority zones for heat pump deployment

5. What are we going to do?

Our actions and asks from others

6. Action on heat pump and heat network deployment

Action 6.4. Heat networks for new developments. We will monitor opportunities for heat networks where major new development is planned.

Benefit This will enable us to roll out heat networks where they prove to be the most effective means of decarbonising heat.

Timescale Ongoing.

From others we need We ask that developers consider heat networks as a possible energy solution for new developments.

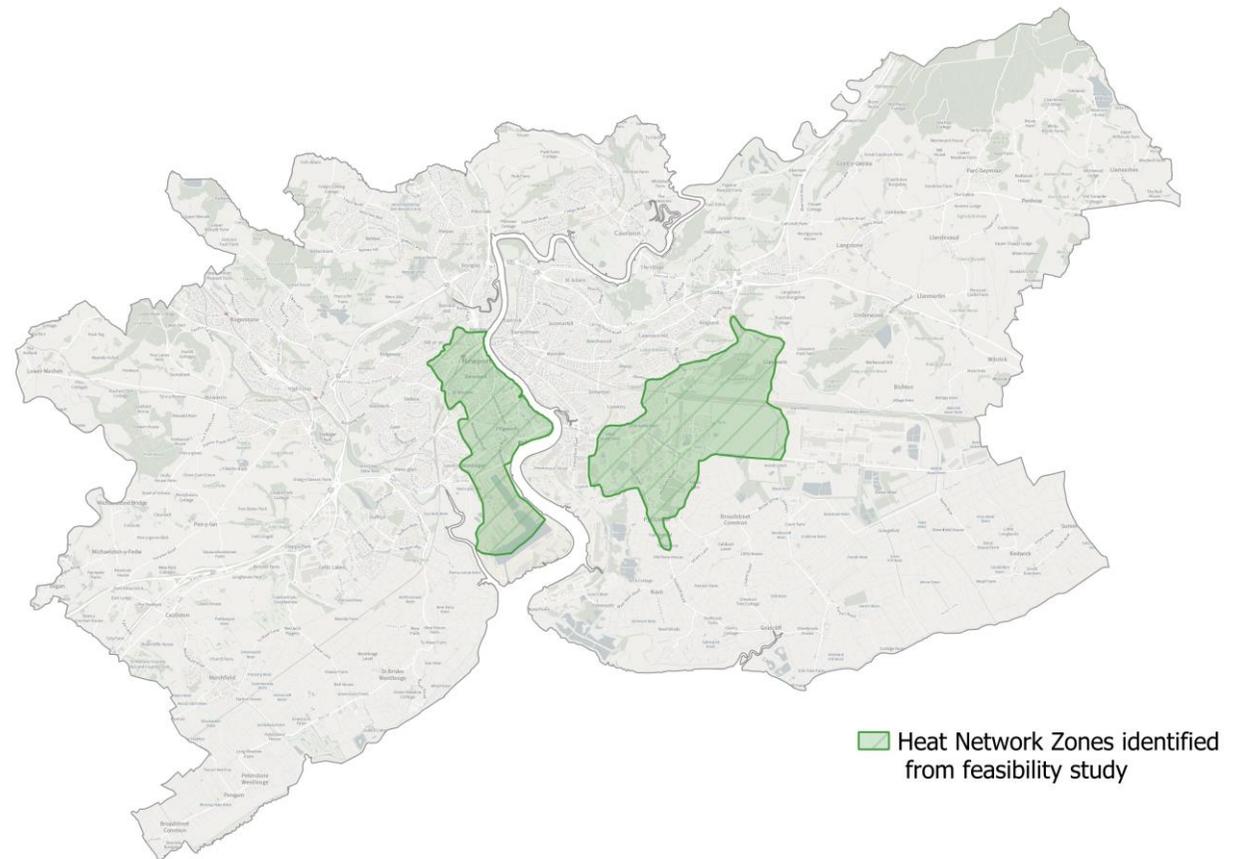


Figure 16: Map of identified zones for heat network potential

5. What are we going to do?

Our actions and asks from others

7. Action on transport energy demand reduction

Action 7.1 Collaborate and support the delivery of the South East Wales Regional Transport Plan. We will play an active role in the shaping of our regional transport plan, building on the evidence in this plan and in the SE Wales Transport Commission Final Recommendations report.

Benefit The regional transport plans have the opportunity to deliver transport that works for Newport and the community. This will support the delivery of behaviour change in order to reduce transport energy demand.

Timescale Well underway and ongoing. New regional transport plan to be in place no later than 2025.

From others we need Engagement and buy in from other stakeholders in the Corporate Joint Committees identified in Llwybr Newydd.

Action 7.2. Encourage active travel. We will work to improve cycleways and footpaths, connecting homes, workplaces and leisure, and consider pilot schemes for electric bikes and possibly scooters. We will get buy in at the local level to design these interventions such that it

meets our needs and circumstances.

Benefit Greater uptake of walking and cycling for short journeys removes cars from the road encourages the community to be more active and ultimately enhances well being.

Timescale Well underway and ongoing.

From others we need Campaigning and marketing by active travel charities, such as Sustrans and Living Streets, can work to positively influence the public perception of walking and cycling.

Action 7.3 Encourage public transport patronage. In line with Llwybr Newydd: Wales Transport Strategy, we will work with Transport for Wales and the Welsh Government to deliver and improve the Fflecsi on demand bus service, work with transport providers to deliver an integrated ticketing service, work with the private sector to create rapid bus corridors between Newport and Cardiff, that are affordable, reliable and desirable, and continue the transition to ULEV.

Benefit Increasing public transport patronage will reduce the overall energy use of the transport

system, reduce emissions and increase air quality.

Timescale Starting immediately and ongoing.

From others we need A joined up approach to public transport investment across government and in regional planning.

Action 7.4. Discourage private vehicle use. We will consider a range of options to discourage private vehicle use, such as encouraging working from home, hub working, public transport and active travel use.

Benefit This demonstrates the Council's intent to deliver the transport hierarchy by incentivising a modal shift in transport towards more sustainable forms of travel.

Timescale Following the successful introduction of alternative transport options, we will consider options to discourage private vehicles use where fair and progressive.

From others we need Encouraging our community to adopt more sustainable transport options will require consistent two-way engagement and consultation.

5. What are we going to do?

Our actions and asks from others

Enabling actions

Action 0.1 Review policies in the LDP We will review and update our policies on energy - including EVs, local generation, and energy efficiencies. We will build on the evidence developed to support this plan. We will undertake detailed review of the LDP policies and allocations.

Benefit The review will ensure aligned local policy and clear signal of intent to developers in the private sector.

Timescale To conclude by 2026 following update of the LDP.

Action 0.2 Raise finance and enable procurement. We will develop a plan for funding arrangements to support the delivery of local authority programme of works to enable the delivery of the LAEP. This may be from usual capital markets or through more innovative financing mechanisms such as community municipal investments. As a local authority, we also have the opportunity to consider our own purchase of energy and economies of scale to

support the plan.

Benefit Funding and procurement arrangements will facilitate the delivery of this plan.

Timescale. Immediate start plan to be in place by mid 2026.

From others we need Initial gap funding to deliver a pipeline of works.

Action 0.3 Collaborate across local authorities.

We will work with local authorities across Wales to develop opportunities for investment in energy projects at scale.

Benefit Pooling potential investable opportunities across multiple local authorities will make them more attractive to potential investors. This will also potentially provide local employment opportunities.

Timescale Immediate start, ongoing.

From others we need Other local authorities to work with us and Welsh Government's support in the roll out of their LAEP programme, and support as the facilitator of these collaborations.

The delivery of the CCR Energy Strategy will support this action, through promoting collaboration across the 10 local authorities of South East Wales to deliver actions that predominantly support LAEP actions. If virtual PPA agreements are established, develop offsetting ability, e.g., with REGO agreements.

5. What are we going to do?

Our actions and asks from others

Enabling actions (continued)

Action 0.4 Coordinate widely on skills investment. We will work with our regional skills partnership to understand employer needs, skills gaps and funding requirements. The transition to net zero requires coordinated skills investment, with a priority in retraining those in sectors that are likely to be impacted more by the transition.

Benefit In order for Newport to benefit from the net zero transition we can be proactive in encouraging government and the private sector to release funds for developing skills and expertise in established and emerging low carbon technologies, building retrofit, and heat pump installations.

Timescale Immediate start, ongoing.

From others we need Welsh Government to publish a Net Zero Wales Skills Action Plan in Spring 2022. CCR will develop training opportunities and incentives for supply chain development. We need defined industry requirements, regulation to stimulate skills demand, consistent National Occupational

Standards.

Action 0.5 Community and stakeholder engagement. As we progress with this plan, we will continue to engage widely with our community and stakeholders. We will need to listen to changing priorities, encourage action by others, work together to secure investment, buy-in and deliver beneficial solutions for all.

Benefit The development of this LAEP has started a process of engagement and collaboration, recognising the multiple partners who have a role to play in achieving our net zero ambitions for Newport. This action will enable us to harness this initial work, expanding to cover additional stakeholders and the wider community.

Timescale Immediate start, ongoing.

6. Governance, monitoring and review

Governance

Delivery of our Local Area Energy Plan will be overseen by Our Climate Change Project Board. We will appoint a delivery programme manager, to lead the delivery of the actions in this plan.

Recognising the number of different stakeholders who play an important role in delivering the change that will be required to meet the objectives set out in this plan, we will also work with partners across different sectors and across the Cardiff City Region to set up an advisory board to enable wider input into our plan.

Our ask of others

“We will need others to work with us as part of our advisory board.

We will need a delivery programme manager to support the delivery, monitoring and update of this plan. We request that Welsh Government considers how it could support this resource requirement.”

Monitoring and review

This plan sets out our key actions for the first five years that will set us on the right journey to achieve the ambitions in our longer-term routemap. The plan needs to be flexible to adapt to changes in the future.

We will produce an annual monitoring report, building on the Welsh Government's *Energy Generation in Wales* reports, which will describe our progress against the actions set out in this plan, and also against key output metrics as follows:

- Number of homes retrofitted
- Number of non-domestic buildings retrofitted
- Number of EV charging points installed
- MW's of renewables installed
- Heat pumps installed
- Number of low carbon energy innovations

To monitor these metrics we will make use of publicly available datasets such as the Energy Performance Certificate Register, the Micro Generation Certification Scheme and the Renewable Energy Planning Database.

We will develop a baseline understanding of these metrics based on existing data and monitor changes annually.

We will also track carbon emissions reduction, but recognise that available data will lag a few years behind.

The whole plan will be updated at least every five years to take account of key factors, including:

- Policy changes at a UK and Welsh Government level
- Changes in costs and effectiveness of technologies
- Progress to date.

Bibliography

- [1] [Lower layer Super Output Area population estimates \(supporting information\) - Office for National Statistics \(ons.gov.uk\)](#)
- [2] [Newport topographic map, elevation, relief \(topographic-map.com\)](#)
- [3] [Welsh Housing Conditions Survey 2017-18 – Welsh Government](#)
- [4] [Regional gross value added \(balanced\) by industry: all ITL regions - Office for National Statistics](#)
- [5] [UK local authority and regional carbon dioxide emissions national statistics: 2005 to 2019 - GOV.UK \(www.gov.uk\)](#)
- [6] [Local Development Plan | Newport City Council](#)
- [7] [Local Well-being Plan 2018-23 \(English Final Revised Aug 21\) \(newport.gov.uk\)](#)
- [8] [The City Deal - Cardiff Capital Region](#)
- [9] [Climate change targets and carbon budgets | GOV.WALES](#)
- [10] [Well-being of Future Generations \(Wales\) Act 2015 \(legislation.gov.uk\)](#)
- [11] [Subnational total final energy consumption statistics.xlsx](#)
- [12] [2005-19 UK local and regional CO2 emissions.xlsx \(live.com\)](#)
- [13] [MSOA estimates of properties not connected to the gas network 2015-19 FINAL.xlsx](#)
- [14] [Transport for Wales](#)
- [15] <https://theenergyst.com/simec-atlantis-pellets-to-power-plant-snags-in-welsh-red-tape-takes-huge-lse-hit/>
- [16] <https://renewablesnow.com/news/simec-atlantis-mulls-complementary-renewables-at-uskmouth-site-766358/>
- [17] <https://www.energylivenews.com/2021/04/06/nextenergy-completes-two-new-subsidy-free-solar-farms/>
- [18] <https://dns.planninginspectorate.gov.uk/projects/wales/llanwern-solar/?ipcsection=docs>
- [19] <https://dns.planninginspectorate.gov.uk/projects/wales/wentlooge-renewable-energy-hub/?ipcsection=docs>
- [20] [Downloadable Future Energy Scenarios resources | National Grid ESO](#)
- [21] <https://gov.wales/sites/default/files/publications/2021-11/cooperation-agreement-2021.pdf>
- [22] [Written Statement: The Optimised Retrofit Programme 2020-21 \(6 November 2020\) | GOV.WALES](#)
- [23] [Local ownership of energy generation in Wales: policy statement | GOV.WALES](#)
- [24] [Industrial Fuel Switching competition - GOV.UK \(www.gov.uk\)](#)
- [25] [Gas heating ban for new homes from 2025 - BBC News](#)
- [26] [Electric Vehicle Charging Strategy \(gov.wales\)](#)
- [27] [Climate change targets and carbon budgets | GOV.WALES](#)
- [28] [£250 million towards 20,000 low carbon homes for rent | GOV.WALES](#)
- [29] [UK Hydrogen Strategy \(publishing.service.gov.uk\)](#)
- [30] [Llwybr Newydd: the Wales Transport Strategy 2021 \[HTML\] | GOV.WALES](#)
- [31] [HM Government – Heat and Buildings Strategy \(publishing.service.gov.uk\)](#)
- [32] [42949 Second All Wales Low Carbon Delivery Plan \(2021-2025\) \(gov.wales\) Proposal 5](#)
- [33] [WPD communications](#)
- [34] [Government takes historic step towards net-zero with end of sale of new petrol and diesel cars by 2030 - GOV.UK \(www.gov.uk\)](#)
- [35] [The non-domestic private rented sector minimum energy efficiency standards: the future trajectory to 2030 \(publishing.service.gov.uk\)](#)
- [36] [Climate change targets and carbon budgets | GOV.WALES](#)
- [37] [Welsh public sector to be carbon neutral by 2030 | GOV.WALES](#)
- [38] [Local ownership of energy generation in Wales: policy statement | GOV.WALES](#)
- [39] [Llwybr Newydd: the Wales Transport Strategy 2021 \[HTML\] | GOV.WALES](#)
- [40] [Tackling fuel poverty 2021 to 2035 \[HTML\] | GOV.WALES](#)
- [41] [Climate change targets and carbon budgets | GOV.WALES](#)
- [42] [Llwybr Newydd: the Wales Transport Strategy 2021 \[HTML\] | GOV.WALES](#)

LAEP Extended Glossary of Terms

Anaerobic digestion processes biomass (plant material) into biogas (methane) that can be used for heating and generating electricity.

Batteries store electrical energy to be used at a later date.

Biomass boiler burns wood-based fuel (e.g. logs, pellets, chippings) to generate heat and/or electricity

Building retrofit is changes to a building after construction to improve energy efficiency or decrease energy demand.

Carbon, Capture & Storage (CCS) is the process of capturing and then storing carbon emissions before they enter the atmosphere.

CCR is the Cardiff Capital Region

Climate Adaptation is altering our behaviour and way of life to protect our families, our economies, and the environment in which we live from the impacts of climate change.

Climate Change includes global warming and the “side effects” of warming, e.g. melting glaciers, heavier rainstorms, more frequent drought.

A **climate emergency**: is a situation in which urgent action is required to reduce or halt climate change and avoid potentially irreversible environmental damage resulting from it.

Climate Mitigation means avoiding and reducing greenhouse gas emissions and increasing greenhouse gas capture and storage.

Decarbonisation: Is the reduction of carbon dioxide emissions through the use of low carbon power sources, achieving a lower output of greenhouse gases into the atmosphere.

Deep retrofit is a major or whole building retrofit to achieve a near net-zero energy building which could include external, loft and under floor insulation measures, smart metering, window sealing, external solar devices, triple glazing and air tightness.

District heat network is a distribution system of insulated pipes that takes heat from a central source and delivers it to a number of domestic or non-domestic buildings.

An **electrolyser** uses electricity to split water into hydrogen and oxygen

EV are electric vehicles

An **energy system** is a system designed to produce and supply energy and energy services to end-users.

Greenhouse gases are the thin layer of gases surrounding the Earth. These gases include both naturally occurring and human-derived greenhouse gas such as carbon dioxide, methane, water vapour and nitrous oxide.

Ground PV (Photovoltaics) are ground based solar panels that generate electricity using energy from the sun.

GW Gigawatt

GWh Gigawatt hours

Heat pumps use a heat exchange system to take heat from air or ground and increase the temperature to heat buildings

Hydroelectricity uses water falling between two reservoirs to turn turbines to generate electricity

Hydrogen is a flammable gas that can be burned, like natural gas, to generate heat or power vehicles. The by-product is water. Hydrogen can also be used in fuel cells to generate electricity.

ktCO₂ kilotons of carbon emissions

Landfill gas is produced from micro-organisms in a landfill site such as methane that can be used as a source of energy

LAEP is used interchangeably for “Local Area Energy Planning” and “Local Area Energy Plan.”

LDP Local Development Plan

Methane reformation is a process of producing hydrogen by heating methane from natural gas and steam, usually with a catalyst

Microgeneration is small-scale generation of heat and electricity by individuals, households, communities or small businesses for their own use.

MW Megawatts

The **National Grid** is the system operator of Great Britain’s electricity and gas supply. This includes England, Scotland and Wales. It is the

company that manages the network and distribution of electricity and gas that powers all our homes and businesses.

Net zero is achieving a balance between the amount of greenhouse gas emissions produced and the amount removed.

Ofgem (Office of Gas and Electricity Markets) is the government regulator for the electricity and downstream natural gas markets in Great Britain

Onshore renewable energy is energy collected from land-based resources which are naturally replenished, such as sunlight, wind, rain and geothermal heat. Renewable energy can be used for electricity generation, air and water heating / cooling, transportation, and rural energy services.

A **purchase power agreement (PPA)** is a contract between two parties where one produces and sells electricity and the other purchases electricity.

REGO The Renewable Energy Guarantees of Origin (REGO) scheme provides transparency to consumers about the proportion of electricity that suppliers source from renewable generation.

A **renewable energy guarantees of origin (REGO) agreement** is a scheme that tells consumers what proportion of their electricity comes from renewable sources.

Resistance heating generates heat by passing electrical currents through wires.

RIIO-ED (Revenue, Incentives, Innovation & Outputs: Electricity Distribution) is the price control for the electricity distribution network, where network companies take power from the transmission network and deliver it at safe, lower voltages to homes and businesses.

RIIO-ED1 is the price control which runs from 2015-23.

RIIO-ED2 is the price control which will run from 2023-28.

RIIO-ED3 is the price control which will run from 2028-33.

RIIO-GD is the price control for the gas distribution network companies.

RIIO-GD1 was the price control that ran from 2013-21.

RIIO-GD2 is the price control which runs from 2021-26.

RIIO-GD3 is the price control which will run from 2026-35.

Sewage gas is gas given off in the digestion of sewage consisting of approximately 66 per cent methane and 34 per cent carbon dioxide. This gas can be converted into heat and electricity using a reciprocating gas engine.

Solar PV (Solar Photovoltaics) is the generation of electricity using energy from the sun. Modern solar panels produce electricity from daylight and do not require direct sunlight, although more electricity is produced on bright sunny days.

SWIC South Wales Industrial Cluster

ULEV Ultra-low emission vehicles

Wind power harnesses wind to turn a turbine to generate electricity.

WWU (Wales and West Utilities) operates the gas distribution network across Wales and the South West England regions of the United Kingdom.

WPD (Western Power Distribution) is the trading identity of four electricity distribution companies in the United Kingdom: WPD South West (operating in South West England), WPD South Wales (in South Wales) and WPD Midlands (two companies, in the East Midlands and West Midlands).

This page is intentionally left blank



Report

Cabinet

Part 1

Date: 15 June 2022

Subject: Information Station Project

Purpose To provide an update on project costs and seek a commitment to meet the costs of project overspend in order to proceed with the delivery of the scheme.

Author Head of Regeneration and Economic Development

Ward All

Summary In December 2019 Cabinet agreed to seek an alternative commercial use for the ground and first floor of the Information Station as a tech hub and to relocate current staff and services to the Central Museum and Library. The sub lease of the Information Station was offered as part of a competitive tender to technology providers. On the basis of the tendered rent and their proposed business model, Tramshed Tech were identified as the successful operator. The face-to-face services were to relocate to the Central Library and Museum (CL&M) building and £1.3m of Welsh Government Transforming Towns funding was awarded for the refurbishment of the CL& M building.

In March 2020 the UK went into lockdown and face to face services were closed in line with government regulations. Face to face provision was restarted in September 2021 from the temporary location at the Riverfront. However due to extensive issues with the landlord of the Information Station (ArchCo) with regard to the consent to sub-lease, coupled with the global increase in price for construction projects and the ongoing delays, this has resulted in a budget variance of £140k.

ArchCo have now given their consent to the sub lease to Tramshed Tech and the works package for the CL&M building has been retendered. This price is held until 30th June 2022.

Proposal To agree to meet the increased costs of the project in order to allow the proposal to proceed.

Action by Head of Regeneration and Economic Development

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Head of Law and Standards
- Head of Finance
- Head of People & Business Change

Signed

Background

In December 2019 Cabinet agreed to seek an alternative commercial use for the ground and first floor of the Information Station and to relocate current staff and services to the Central Museum and Library (CL&M). The building is not owned by the Council and the upper floors of the building have already been sub leased to Cardiff University to deliver the National Software Academy. The Council's remaining term on the building was offered as a sub lease to technology providers in order to deliver a tech hub in the City Centre. In addition to supporting regeneration and economic development of the City Centre, sub-leasing the ground and first floor of the Information Station was seen as an opportunity to reduce expenditure and dependency on third party owned property. This also aligns with corporate commitments to rationalise and maximise the Council's asset portfolio and use our own buildings more effectively.

A competitive tendering exercise was undertaken and on the basis of the tendered rent and proposed business model, Tramshed Tech were identified as the successful operator.

The face-to-face services were to relocate to the CL&M building and £1.3m of Welsh Government Transforming Towns funding was awarded for the refurbishment of the CL& M building. However in March 2020 the UK went into lockdown and face to face services were closed in line with government regulations. Face to face provision was restarted in September 2021 from the temporary location at the Riverfront. This temporary location was considered reasonable due to the need to be move at pace to deliver this project as well as minimise disruption for residents which would arise from multiple moves of the service. However due to extensive issues with the landlord of the Information Station (ArchCo) with regard to the consent to sub-lease coupled with the global increase in price for construction projects, the overall budget has increased by £140k.

ArchCo have now given their consent to the sub lease to Tramshed Tech and the works package for the CL&M building has been retendered. This price is held until 30th June 2022 and it follows that any delay in letting the contract beyond 30th June will result in the contract being re-priced. In the current economic climate there is a significant risk of prices increasing further. We are close to completing the Agreement for Lease with Tramshed Tech but until it is confirmed that the project has the necessary budget to deliver it, we cannot complete the Agreement for Lease.

Cabinet previously agreed to allocate £350,000 towards the capital costs of the relocation project. This would increase to £490,000 under the retendered costs. The Welsh Government grant of £1.3m remains in place.

Timeline

The tender price is held until 30th June 2022. Subject to the contract being awarded by this date, the refurbishment works at the CL&M is expected to be completed by the end of January 2023. Similarly, Tramshed Tech anticipate undertaking their fit out works over the summer with an opening in September this year. The current face to face service will need to continue to operate from a temporary location until the refurbishment works are complete and it is intended to provide a pop up library facility to ensure there is access to library resources during this period.

Financial Summary

The table below provides an overview of the projected capital expenditure required to deliver the necessary works to both buildings, as well as the current approved funding. The overall shortfall, which this report requests approval for, is identified as £140,000.

The Council has available capital funding headroom which can be accessed in order to fund this additional cost. The current balance of available headroom is £974,000, comprising a combination of borrowing headroom and uncommitted earmarked reserves. Should it be agreed that an allocation of £140,000 is made from the headroom, the residual balance for other schemes during 2022/23 would reduce to £834,000.

	Total (£)
Projected Expenditure:	
Information Station Capital	268,607
Museum & Library Refurbishment	1,621,393
Total Expenditure:	1,890,000
Current Funding:	
Newport Council Borrowing & Reserves	420,639
Welsh Government	1,325,074
Other Contribution	4,287
Total Current Funding	1,750,000
Funding Shortfall	140,000

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Operational impact on NCC face-to-face services and CL&M if a permanent location is not provided.	M	M	Temporary facilities are being provided to ensure that residents have access to face to face services.	Head of R&ED Head of Finance
Increasing contract costs if the contract is not let by 30 th June 2022.	H	H	Costs will be recalculated on a monthly basis after 30 th June.	Head of R&ED
Space for pop up library is not available.	M	L	Space has been secured until March 2023.	Head of R&ED

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

This development would be in keeping with the adopted Local Development Plan, Economic Growth Strategy, City Centre Master Plan, Corporate Plan and Local Well-being Plan.

Council Commitments / Priorities

This proposal meets the following commitments and well-being objectives of the council as specified in the Corporate Plan 2017 – 2022

Thriving City

- Real progress on transforming Newport city centre through placemaking and investment.

Well-being Objectives

1. **People feel good about living, working, visiting and investing in Newport**
The Newport “Offer” should attract and retain people and businesses to the City, recognising that desirability to work and live in the City is the result of the “complete package” including

employment, housing solutions, infrastructure, environment, cultural opportunities and public services.

Options Available and considered

- 1) Agree to fund the project by an additional £140,000 to ensure the delivery of the project.
- 2) Do not agree to allocate the additional funding, do not complete the Agreement for Lease to Tramshed Tech and continue to provide NCC services from the ground and first floor of the Information Station building.

Preferred Option and Why

- (1) Agree to fund the project by an additional £140,000 to ensure the delivery of the project. This will enable the Agreement for Lease to be completed with Tramshed Tech to provide tech hub space in the city centre and also deliver agreed revenue savings identified as part of project approved by Cabinet in December 2019. This will help deliver on Corporate Plan commitments.

Comments of Chief Financial Officer

This report outlines the impact of increasing contract costs associated with the capital works to refurbish the Information Station and Central Library & Museum buildings. Due to the delays outlined in this report and the wider impact of contract inflation, additional costs totalling £140,000 have been identified. In order to secure the current tendered price, a commitment needs to be made before 30th June 2022.

As outlined in the 2022/23 Capital Strategy, the Council is working to a prudent authorised limit in terms of capital expenditure commitments. This limit reflects the existing Capital Programme, plus a small amount of headroom for new schemes or increases in the cost of existing schemes. Following a recent commitment to increase the funding commitment for the Transporter Bridge, the available headroom totals £974,000. Therefore, there is the scope for the Cabinet to commit a further £140,000 from this headroom, to be able to secure the tendered price for this particular scheme. Clearly, this commitment will reduce the level of headroom available for the remainder of this financial year, with any further capital scheme increases needing to be managed within this residual sum, supplemented by any external grant funding or utilisation of the Council's revenue budget underspend for 2021/22.

Comments of Monitoring Officer

Terms have been agreed with the head landlords, Arch Co, and the proposed sub-tenants, Tramshed Tech for the carrying out of the internal fit-out work and the grant of a sub-lease for the remaining floors of the Information Station, upon the terms previously agreed by Cabinet. The Agreement for Lease with Tramshed Tech is due to be finalised and completed shortly and will be conditional upon the completion of the licences for the works and the sub-letting and also the satisfactory completion of the fit-out works. However, the completion of the Agreement for Lease will commit the Council to granting the sub-lease to Tramshed Tech, on the agreed terms, once these conditions have been met. To facilitate this, the Council has to ensure that it is able to deliver up vacant possession of the building by permanently re-locating existing services to the Central Museum & Library and, in order to achieve this, the Council has to enter into a building contract for the necessary refurbishment work. All of these linked projects will need to be delivered in order to secure the necessary outcomes previously agreed by Cabinet and also to meet the conditions of the £1.3m Welsh Government grant funding. Therefore, before the Council can complete the Agreement for Lease and commit to the sub-lease for the Information Station, it will be necessary for Cabinet to agree to the increased costs of the building work to the Central Museum and Library. Because of the delays outlined in this report, coupled with the inflationary increase in building costs during that period, the estimated costs of the work have increased by approximately £140k. The revised contract price will only be fixed until the end of June and, therefore, a decision has to be taken now to increase the available budget for the project in order to secure that price. That will enable the

Council to enter into the building contract for the works at the same time as completing the Agreement for Lease with Tramshed Tech, to ensure that all of the legal rights and obligations are synchronised and that both elements of the lined schemes can be delivered.

Comments of Head of People and Business Change

There are no direct HR implications arising from this report. Existing staff have been relocated to the alternative building.

As outlined in the report, the proposal will help deliver a number of national, regional and local strategies particularly those aimed at economic development, skills and work, environmental regeneration and improving the local business offer. This long term project fits in with the city's Well-being Plan by contributing to improving the Newport Offer, particularly in the city centre, and offering skills and work development. The project has considered the five ways of working as required in the Well-being of Future Generations Act as outlined in the previous report.

Scrutiny Committees

None.

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

The council has a number of legislative responsibilities to assess the impact of any strategic decision, proposal or policy on people that may experience disadvantage or inequality. The principle of the project remains unchanged since Cabinet approval in December 2019 and the reasons for that decision are contained in the imbedded report below. This decision relates additional funding for the project and accordingly an FEIA has not been completed.

Consultation

None.

Background Papers

Cabinet Report January 2020

<https://democracy.newport.gov.uk/ieListDocuments.aspx?CId=139&MId=7782&Ver=4&LLL=0>

Dated: 8 June 2022

This page is intentionally left blank



Report

Cabinet

Part 1

Date: 15 June 2022

Subject: Levelling Up Fund Round 2 – National Technology Institute

Purpose To seek approval to submit a bid to the second round of the UK Government's Levelling Up fund that seeks to support the creation of a National Technology Institute in Newport City centre.

Author Head of Regeneration and Economic Development

Ward All

Summary Since the £4.8 billion Levelling Up Fund (LUF) was launched in 2021, UK Government have set out their long-term ambitions for the overarching levelling-up policy through the release of the Levelling Up White Paper. This paper details the six capital drivers which UK Government believe will overcome regional inequality. With this refined remit also came the second funding round of the LUF. Similar to the first round, the fund is distributed competitively, with up to £20m of capital funding available for regeneration and culture projects. The deadline for submissions is 12pm on Wednesday 6th July 2022.

Newport sought to leverage £20m of funding from the first funding round for the Northern Gateway Quarter of the City, focusing on the train station area, adjacent streets and public realm. Although this application was unsuccessful, subsequent advice from UK Government officials has highlighted how an adjustment in approach could lead to a successful funding award. With this feedback considered, and with progress in establishing the Newport Knowledge Quarter concept gathering pace with the proposed relocation of the Coleg Gwent campus, there is a clear opportunity to develop a complementary use within the City Centre. This would be the introduction of a City of Newport National Technology Institute (NTI), a collaborative endeavour involving Cardiff Capital Region, further/higher education and employers with a focus on delivering high quality, higher level technical education and training.

This provision would fill a skills and qualification gap which has been identified with employers and would complement and sit alongside the Institutes of Technology already operating in England. It is therefore recommended that the Council submits a bid to UK Government for funding to help 'level-up' the skills and training offer within Newport and the Knowledge Quarter, as well as enhance the overall mix of uses in the City Centre.

Proposal Cabinet are requested to approve the submission of a bid to the second round of the Levelling Up Fund relating to the provision of a National Technology Institute in Newport City Centre.

Cabinet are asked to approve a change in the capital programme, as outlined in the financial summary, to fund the potential 'match-funding' for this project.

Action by Head of Regeneration and Economic Development

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Head of Law and Standards
- Head of Finance
- Head of People, Policy and Transformation
- Cardiff Capital Region

Signed

Background

Following the first round of Levelling Up Funding (LUF) in 2021, UK Government have now opened up applications to the second round of the programme to coincide with the launch of the Levelling Up White Paper. The total value of the second funding round has not been specified, but £3.1bn of the total £4.8bn ringfenced for the entire Levelling Up Fund programme remains available.

The Levelling Up White Paper confirms that the criteria for applications to the second LUF round remains largely the same as the first. Funding bids up to a value of £20m capital spend can be submitted across the following investment areas:

- **Transport investments** including (but not limited to) public transport, active travel, bridge repairs, bus priority, local road improvements and major structural maintenance, and accessibility improvements. We are requesting proposals for high-impact small, medium and, by exception, large local transport schemes to reduce carbon emissions, improve air quality, cut congestion, support economic growth, and improve the safety, security and overall experience of transport users.
- **Regeneration and town centre investment**, building on the Towns Fund framework to upgrade eyesore buildings and dated infrastructure; acquire and regenerate brownfield sites; invest in secure community infrastructure and crime reduction; and bring public services and safe, accessible community spaces into town and city centres.
- **Cultural investment** maintaining, regenerating, or creatively repurposing existing cultural, creative, heritage and sporting assets, or creating new assets that serve those purposes including theatres, museums, galleries, production facilities, libraries, visitor attractions (and associated green spaces), sports and athletics facilities, heritage buildings and sites, and assets that support the visitor economy.

A minimum contribution of 10% match funding must be included in the bid. This can come from a local authority or other third party (public or private sector). Bids must also be supported by the local Member of Parliament. MPs can only provide priority support for one bid within their constituency but can offer general support for other applications. The submission criteria remains the same as the first round and we continue to work with all key stakeholders in support of the bid and expect a number of letters of support to be submitted with the bid.

Newport is still considered a priority category 1 area- in highest need- and the fund still involves a competitive bidding process, which works as follows:

- Stage one is a pass/fail gateway, where standard minimum criteria must be reached (principally concerning eligibility).
- Stage two is where bids are assessed, scored and shortlisted. Bids are scrutinised against the following criteria; each representing 25% of the total score, with the final 25% determined by the aforementioned area priority category:
 - The Strategic Fit, which covers the case for investment, alignment with local/national context, and stakeholder engagement
 - The Economic Case, covering data sources and evidence, the effectiveness of the proposal in addressing identified issues, cost/benefit analysis, and value for money
 - Deliverability of proposal, covering finance, procurement, programme management, and monitoring and evaluation
- Stage three is where Ministers will make the final decision on those areas where funding awards will be made. This check ensures a reasonable thematic split between all projects and a fair geographic spread.

Timeline

The application window opens on the 31st May 2022, with bids to be submitted to UK Government by noon on the Wednesday 6th July 2022. An announcement on successful bids will be delivered in autumn 2022. Projects must demonstrate spend from the Fund in the 2022-23 financial year, and all funding provided from the Fund must be spent by 31 March 2025 (by 2025-26 on an exceptional basis).

It remains unclear as to whether the Levelling Up Fund will extend to a third round of bidding, but if the proposed National Technology Institute is funded through this round of LUF funding, the Council would be unable to submit another bid for sites in the Newport West constituency.

The Newport Knowledge Quarter

The adopted City Centre Masterplan (2019) was created to build on the City's regeneration credentials and build on the success of the Vibrant and Viable Places programme. Setting the groundwork for the creation of a variety of new city based uses, the document focuses on three areas, all individually characterised by a number of key site development and public realm improvement opportunities.

The City Core area focuses specifically on consolidation through new development, redevelopment, and diversification of existing land uses. The area has benefitted from significant investment in the past few years; highlights include:

- The refurbishment of Chartist Tower from office space to a 135 room 4* Mercure hotel;
- Demolition of dilapidated commercial buildings and construction of 38 affordable apartments at 123-129 Commercial Street
- The creation of public realm space and improvements at St Paul's Walk.

These projects are stimulating further regeneration elsewhere in the City, drawing in renewed footfall and new businesses. This success gives the Council an appropriate platform to deliver a National Technology Institute and in turn realising the full potential of the Newport Knowledge Quarter proposal.

Proposed National Technology Institute (NTI)

Working collaboratively across Further Education, Higher Education and employer partnerships, the NTI will operate as a separate legal entity, with a Board of Directors. It will not be operated by Newport City Council. The focus will be on delivering more targeted and focused courses and qualifications where employer demand is greatest. It is expected to:

- significantly increase the number of learners with higher technical qualifications
- provide the skills that employers need, both now and in the future, which are crucial to local, regional and national productivity growth
- attract a diverse range of learners to address the lack of diversity in some parts of the technical workforce, to maximise their social as well as economic impact
- support adult learners, whether in employment or not, who want flexible access to higher-level education

The National Institute will not compete with existing post-16 provision. It will be a complementary offer which brings together a broad range of stakeholders- specifically employers- to support and lead the technical skills development for our specific sectors. England already has a network of Institutes of Technology (IoT's), but the model is not prescribed; it is built on local sector requirements. For Newport, this is likely to be focussed on Data and Cyber but will be informed by the needs of our existing and future businesses. The City of Newport NTI will be entirely separate to the English IoT network but there is a clear opportunity to complement the IoT provision, particularly in the Western Gateway geography (principally the Swindon and Wiltshire IoT, and the West of England IoT).

The NTI proposal has been developed as a result of ongoing feedback from employers and representatives on the Right Skills Board and Regional Skills Partnership who highlight the need to ensure that there is a pipeline of suitably qualified and trained people in the local area to meet the needs of their businesses. Through engagement with these boards and having seen the success of alternative offers such as the National Software Academy and the Cyber Security Academy, Wales, the One Newport Partnership and Cardiff Capital Region are fully supportive of the NTI concept.

Financial Summary

The total funding available from the LUF for regeneration and town centre investment is £20m. There is a requirement for a 10% match funding. This match funding can come from a local authority or other third party (public or private sector) but cannot be "time in kind." Cabinet will need to agree to ring

fencing up to £1m for match funding for this bid. We are also exploring other third party sources of match funding in order to maximise the bid submitted to UK Government, but the final bid submission will not exceed £20m. The Council's contribution would be capped at £1m.

As outlined in the 2022/23 Capital Strategy, the Council is working to a prudent authorised limit in terms of capital expenditure commitments funded from borrowing and there is currently insufficient headroom within this to commit this value. However, officers are undertaking a detailed review of the capital programme and whilst still in progress, an existing capital project in the overall programme ('renewable energy investment') is not yet able to commence due to capacity issues with the Grid. It is therefore recommended that this project is deleted from the current capital programme and the borrowing headroom released and allocated to this project. This renewable energy project will be reconsidered in the future when Grid capacity allows.

In terms of revenue funding, the NTI model principally operates on the basis of businesses funding training courses and securing newly trained and qualified workforce as a result. Courses can be full time and part time and the actual course offer will be flexed to meet the needs of the specific sector. It is therefore expected that the operating model, which will sit independent of the Council and will be self financing. Some seed funding may be required to help establish the facility but this is expected to be sourced from other partners and organisations.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
UK Gov rejects the bid	M	M	The LUF is a competitive bidding process and whilst Newport is a priority one area, we are not the decision makers on this funding. In the event of an unsuccessful bid, whilst this would represent a set back in our plans to develop the Knowledge Quarter/NTI concept. It is unknown as to whether a third round of levelling up funding will be made available. However other sources of funding would be sought.	Head of R&ED
Suitable location cannot be found in City Centre	M	L	There are a number of premises within the City Centre which could accommodate this use, if the bid is successful.	Head of R&ED
There is no suitable operating model established	M	L	The operating model for the facility will need to be established in the form of a separate legal entity	Head of R&ED

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

This development would be in keeping with the adopted Local Development Plan, Economic Growth Strategy, City Centre Master Plan, Corporate Plan and Local Well-being Plan.

Council Commitments / Priorities

This proposal meets the following commitments and well-being objectives of the council as specified in the Corporate Plan 2017 – 2022

Thriving City

- Real progress on transforming Newport city centre through placemaking and investment.

Aspirational People

- The City has modern, increased tertiary education capacity that meets the needs of Newport's future economic and social changes.
- 1. People feel good about living, working, visiting and investing in Newport**
The Newport "Offer" should attract and retain people and businesses to the City, recognising that desirability to work and live in the City is the result of the "complete package" including employment, housing solutions, infrastructure, environment, cultural opportunities and public services.
 - 2. People have skills and opportunities to find suitable work and contribute to sustainable economic growth**
People can access skills and education programmes that align with current and future local employment opportunities, enabling individuals and the city's economy to achieve their potential.
 - 3. People and communities are friendly, confident and empowered to improve their well-being**
Working with the community and a range of organisations to identify assets and needs, developing a targeted, preventative place-based approach with local communities that considers the long term and empowering local people to lead and develop their local community..
 - 4. Newport has healthy, safe and resilient environments**
Newport is a greener, healthier and safer place where all communities have easy access to quality greenspace for health, play and recreation.

The proposal also supports the Council's Covid Strategic Recovery Aims (Cabinet Report July 2020), specifically:

- Strategic Recovery Aim 2 – Supporting the Environment and the Economy Well-being Objectives

Options Available and considered

- 1) Approve the submission of a Levelling Up Funding bid for the provision of a National Technology Institute in Newport City Centre with a capped £1m of match funding from the Council.
- 2) Do not agree to submit a bid for Levelling Up Funding for the delivery of a National Technology Institute.

Preferred Option and Why

- (1) Approve the submission of a Levelling Up Funding bid for the delivery of a NTI in Newport City Centre with a maximum £1m of match funding from the Council. The final bid will not exceed £20m and will be capped to match the total available match funding which has been secured through the Council's contribution and any additional match funding from third parties. The funding will 'level-up' the technical skills offer in the Newport and the wider region as well as complement the Newport Knowledge Quarter concept. It would encourage new investment from the private and higher education sector in the development of Newport's high growth sectors. Establishing this landmark facility will also support the broader realisation of the Cardiff Capital Region's Skills Partnership ambitions and through partnership working, will also realise the regional pan-national ambitions of the Western Gateway partnership.

Comments of Chief Financial Officer

This report outlines the ambitions to establish a National Technology Institute within Newport and the Knowledge Quarter. Whilst there is a degree of inherent uncertainty on the final proposals and scale, a commitment of up to £1m capital funding is required, with the requirement that some of it is spent in 2022/23 financial year in order for a bid to be made.

The financial summary explains the current position as regards available capital resources and the opportunity for this project to be funded from the release of resources from an existing project which cannot proceed, due to circumstances outside of the Council's control. The Cabinet recommendation includes the deletion of that project and use of the resources for this proposed 'National Technology Institute project'. This provides the funding solution which is required and it is therefore recommended.

An up-to-date position on capital resources / headroom will be given to the Cabinet in their July meeting which will incorporate this and other recent developments and decisions.

Comments of Monitoring Officer

There are no specific legal issues arising from the Report at this stage, as Cabinet are only being asked to approve the submission the proposed second round bid to the Levelling Up Fund in relation to the provision of a National Technology Institute in Newport City Centre. To facilitate the submission of the grant bid, Cabinet will also need to set aside provision within the capital programme for the Council's capped contribution and match-funding of £1m. The proposed NTI is consistent with strategic well-being and corporate objectives in relation to economic regeneration and work and skills. In the event that the bid progresses through the gateway approval stages and the grant funding is awarded, then there will be significant legal issues that will need to be addressed in terms of securing an appropriate City Centre location, establishing the NTI delivery model and implementing the scheme.

Comments of Head of People and Business Change

The bid has the potential to provide well-being benefits to communities by improving and regenerating the city centre, and through the development of skills and employment. The report writer has fully considered the council's Well-being objectives and the sustainable development principle of the Well-being of Future Generations Act when developing this report.

From an HR perspective there are no staffing implications to this proposal.

Progressing with the bid is in line with the Council's strategic recovery aims and its Well-being Objectives and will support the Newport Offer and Right Skills interventions within Newport's Well-being Plan.

Scrutiny Committees

None.

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

The council has a number of legislative responsibilities to assess the impact of any strategic decision, proposal or policy on people that may experience disadvantage or inequality.

- Stakeholder engagement has taken place with industry specialists, employers, FE/HE representatives, previous representatives of the Newport Economic Network, the One Newport Partnership through the Right Skills Board, Welsh Government and Cardiff Capital Region through the Regional Skills Partnership and it has been acknowledged that there is a skills and qualification gap within the existing tertiary offer. Stakeholder engagement is ongoing as we recognise that

industry and business is changing at pace and the traditional offer is not meeting the future needs of employers and affecting their ability to grow and flex.

- There is considered to be a positive impact in respect of both age, disability, sex and pregnancy/maternity. The facility will be accessible to anyone of working age and will enable individuals to upskill and reskill, not only at the start of their careers, but also part way through as technology and industry changes. This will support people to access STEM and digital/cyber courses which they traditionally may not have, and will also support those considering career changes.
- If the application for funding is successful, it will lead to a further tertiary education provider in the City Centre and will be the first such facility in Wales. It is therefore reasonable to expect it will generate national/international attention, elevating awareness of Newport, Wales and its culture in general.
- The proposal supports the sustainable development principle and 5 ways of working set out in the Wellbeing of Future Generations Act (2015) through the provision of a facility which seeks to address employment, skills and training needs of the future workforce to meet the changing needs of businesses. This will lead to more investment and more jobs which are skilled and better paid. The proposal also seeks a sustainable reuse of a prominent city centre property which will increase footfall and help support existing uses and businesses in the city centre.

Consultation

None.

Background Papers



00 FEIA July 2021
2.0 v3.docx

Dated: 10 June 2022

Fairness and Equalities Impact Assessment (FEIA)

This is an integrated Impact Assessment which aims to ensure Newport City Council makes decisions which are fair, take account of relevant evidence, and seek to secure the best outcomes for our communities. **An FEIA should be used to inform the first steps of decision-making, at concept stage, not when a decision is already made, or at the point when it cannot be influenced.** This impact assessment considers our legislative responsibilities under:

- The Equality Act (2010), including the Socio-economic Duty
- The Wellbeing of Future Generations (Wales) Act (2015)
- The Welsh Language (Wales) Measure (2011)

The FEIA process is not intended to prevent decisions being made, but to ensure we have considered their potential impact. An FEIA also helps us to focus on how we can reduce any negative impacts, and provides us with evidence that we have met our legal duties.

For support to complete your FEIA, please contact the [Connected Communities Team](#)

What do we mean by Fairness?

The Newport Fairness Commission is an independent body which advises the council on the best use of resources and powers to achieve the fairest outcomes for local people. The Fairness Commission has established four **Principles of Fairness** which should be considered as part of any decisions that the council make – the questions below are useful to reflect on before you start your FEIA.

Equity	Are people being treated in a consistent way, whilst acknowledging their differences (for example, need, barriers to accessing services)?
	Will the gap between those with more, and those with less be reduced?
	Have the interests of different groups affected (including minority or disadvantaged communities) been taken into account?
Priority	Have the needs of the most disadvantaged and vulnerable across the city been given priority?
	Have you considered possible indirect consequences for minority/disadvantaged communities when other priorities are directing decisions?
Inclusion	Will the voices of all those affected by your decision be heard?
	Are people able to participate in and shape a service, as well as receiving it?
	Have you considered the impact of your decision on the relationship between communities, and the spaces they share?
Communication	Are decisions being made transparently and consistently?
	How will decisions be communicated to people who are affected in a clear way, with the opportunity for feedback?

Part 1: Identification

Name of person completing the FEIA	Adam Wassell
Role of person completing the FEIA	Senior Project Manager, Regeneration
Date of completion	24/05/2022
Head of Service who has approved this FEIA	Tracey Brooks, Head of Regeneration and Economic Development

1. What is being assessed? *(Please double click on the relevant box(es) (X) and select 'checked' as appropriate)*

- New or revised policies, practices or procedures (which modify service delivery or employment practices)
- Service review or re-organisation proposals which affect the community and/or staff
- Efficiency or saving proposals
- Setting budget allocations for new financial year and strategic financial planning
- Decisions affecting service users, employees or the wider community including (de)commissioning or revising services
- New project proposals affecting staff, communities or access to the built environment
- Public events
- Local implementation of National Strategy/Plans/Legislation
- Strategic directive and intent, including those developed at Regional Partnership Boards and Public Service Boards
- Medium to long term plans (for example, corporate plans, development plans, service delivery and improvement plans)
- Setting objectives (for example, well-being objectives, equality objectives, Welsh language strategy)
- Major procurement and commissioning decisions
- Decisions that affect the ability (including external partners) to offer Welsh language opportunities and services
- Other *please explain in the box below:*

2. Please describe the overall aims, objectives and intended outcomes of your decision

The submission of a Levelling Up Funding bid for the delivery of a National Technology Institute in Newport City Centre which will 'level-up' the technical skills offer in Newport and the wider region, as well as complement the Newport Knowledge Quarter concept. It aims to encourage new investment from the private and higher education sector in the development of Newport's high growth sectors (initially identified as data and cyber). Establishing this landmark facility will also support the broader realisation of the Cardiff Capital Region's Skills Partnership ambitions and through partnership working, will also realise the regional pan-national ambitions of the Western Gateway partnership.

If approved, up to £20m of investment will be used to create a new NIT in a central location and will stimulate city centre footfall, create jobs, and establish a complementary use in respect to the further education providers (the Newport Knowledge Quarter) on the Riverside (University of South Wales, Coleg Gwent). It will be targeted not only at those leaving secondary education, but all those of working age (16-64), in employment or not.

3. Who are the main stakeholders who may be impacted by your decision and what data do you hold on them? Consider communities of place (people who live in the same geographic area) and communities of interest (people who share particular characteristics but may live in different geographic areas). Stakeholders may include residents, local businesses, community groups, staff or partners.

- As the NTI's services will be offered City wide, the entire population of Newport stands to benefit from the provision the education provider will offer.
- Employers and businesses stand to benefit from the skilled workforce created as a result of this intervention. Such businesses are located throughout Newport and also the wide region.
- Higher and Further education providers will have a role to play- principally this will be Coleg Gwent, the University of South Wales (USW), and Cardiff University. Two of these providers- Coleg Gwent and USW- are already involved in the Newport Knowledge Quarter, but qualifications and awards will need to be certified by an existing provider so there will need to be an established partnership.
- Aside from individuals progressing from secondary education into further education, and employers making referrals, there will also be a broad group of stakeholders who may look to refer clients through to the courses offered e.g. Jobcentre Plus

- There are also a range of partners included in discussions at this stage. This includes industry specialists, employers, FE/HE representatives, the MP for Newport West, and Senedd members.

The Council will work with partners to assess what the potential take-up could be of this programme, but the initial ambition is to deliver courses lasting two-four years with an intake of each year in the region of 500- 1500.

Part 2: Engagement

When completing this section, you need to consider whether you have sufficient information about the views and experiences of people who your decision will impact upon. If you don't, you may need to undertake a period of engagement/consultation before continuing. An FEIA is a live document, so can be updated with consultation findings, and amended as needed during the decision-making process.

The council has a duty to consult and engage with people who may experience inequalities as a result of your decision. This includes people **who share Protected Characteristics** (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and people who **have lived experience of socio-economic disadvantage**. The council's Youth Promise also requires us to ensure **all young people in Newport are listened to and included in decisions affecting them**.

The council also has a duty to ensure that any consultation is available bilingually (in Welsh as well as English), and you may like to consider any other community languages that are spoken by people who may be impacted by your decision. Below are some questions that should be included in any public consultation relating to a decision which may impact on the use of Welsh language in Newport:

1. Do you believe that the proposed decision/policy will have a positive or negative effect on opportunities to use the Welsh language?
2. If you think it will have a negative effect, what steps could we take to lessen or remove this and improve positive effects?
3. Do you believe that the proposed decision/policy will treat the Welsh language less favourably than the English language?

1. How have you engaged with people who may be affected by your decision (the stakeholders you have identified)?

Stakeholder engagement has taken place with industry specialists, employers, FE/HE representatives, representatives of the Newport Economic Network, Right Skills Board and Regional Skills Partnership, and the MP for Newport West, and Senedd member and these responses will be included as part of the submission made to UK Government for funding.

2. What do you know about the views or experiences of people who may be affected by your decision?

It has been confirmed that there is a skills and qualification gap within the existing tertiary offer. Industry and business is changing at pace and the traditional offer is not meeting the future needs of employers and affecting their ability to grow and flex.

Part 3: Assessment

This section requires you to assess the potential impact of your decision on a range of groups who may experience specific disadvantages. Your assessment should be supported by evidence – either from your own engagement/consultation, similar or previous engagement, what you already know about the people who access your service, or from local and national sources of information.

Useful documents which set out information about how communities are impacted by inequalities include [EHRC – Is Wales Fairer?](#) and the council’s [COVID-19 Community Impact Assessment](#). Your decision may have both positive and negative impacts – if this is the case, please place a cross in both boxes.

1. Impact on people that share Protected Characteristics

[Protected Characteristics](#) are defined under the Equality Act 2010, and describe groups of people who are protected from discrimination, either in the workplace, or through the provision of goods and services. The council must consider how decisions may impact on people differently because of a protected characteristic, and how any negative impact could be reduced. National guidance on assessing equality impacts and the Public Sector Equality Duty can be found [here](#). You can also access further advice and examples of positive and negative impacts [here](#).

Protected characteristic	Impact:			<p>Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to:</p> <ol style="list-style-type: none"> Promote equal opportunity across different groups Promote community cohesion Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
Age	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>If the bid is successful, the institution established will offer opportunities for all working age individuals to upskill, in line with employer-led skills requirements. Courses will be available to all working age people with a range of different routes in.</i></p> <p><i>It should be noted that part of the rationale behind establishing this provider is to enable individuals to reskill from industries with transferable skills not only at the start of their careers, but also part way through as technology and industry changes.</i></p>

Protected characteristic	Impact:			<p>Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to:</p> <ol style="list-style-type: none"> Promote equal opportunity across different groups Promote community cohesion Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
Disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>The proposal will involve the repurposing of an existing accessible building in the City Centre-with design accessibility as a core component. Courses offered through the NTI can also be offered virtually. A full specification for the build is not required as part of submission to the levelling up fund but individuals with disabilities will be engaged in the final design and layout process.</i></p> <p><i>As the skills to be delivered through the NTI will include digital skills, it should be acknowledged that its delivery will open up new employment opportunities to disabled individuals.</i></p>
Gender Reassignment/ Transgender	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><i>The bid itself will not make explicit reference to gender identity and suitable facilities will inform the design of the scheme and training programmes if the bid for funding is successful.</i></p>
Marriage or civil partnership	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p><i>Not a relevant consideration.</i></p>
Pregnancy or maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>Courses through the NTI would be shorter than traditional routes and could be offered virtually, ensuring pregnant individuals can pause or continue to attend courses. Reskilling opportunities are considered to be a positive outcome for pregnant women or those on maternity leave who may be seeking different or more flexible careers.</i></p>
Race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>Newport is a city of diverse communities whom both work in the city and operate successful businesses. Specific consideration will need to be given in how these communities are engaged and encouraged to take-up the skills and training development on offer.</i></p>

Protected characteristic	Impact:			Provide further details about the nature of the impact in the sections below, considering the Public Sector Equality Duty that the council has to: 1. Promote equal opportunity across different groups 2. Promote community cohesion 3. Help eliminate unlawful discrimination/ harassment/ victimisation
	Positive	Negative	Neither	
				<i>If a funding award is successful, a community panel will be established to provide feedback on the plans, with a focus on how the NTI can engage individuals of minority ethnic backgrounds. This will contribute to ensuring the diversity of Newport's highly skilled workforce.</i>
Religion or Belief or non-belief	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>Religion and accommodation of those who need appropriate access will be incorporated into the design of the NTI and the inclusion of support mechanisms including prayer rooms has been identified on the accommodation schedule.</i>
Sex	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<i>The NTI has been proposed with accessibility to all backgrounds a primary consideration, as it has been acknowledged that some sectors continue to face persistent issues with encouraging women to take up careers in STEM and digital/cyber sectors. This will be a central foundation for the NTI if funding is secured.</i>
Sexual Orientation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<i>It is not considered that the proposal will have an impact on anyone different because of their sexual orientation.</i>

2. Impact on Welsh Language

The Welsh Language (Wales) Measure specifies that for all policy decisions, the council must consider the effects (both positive and negative) on the Welsh language. For further guidance on Welsh language considerations see [here](#).

	Impact:			
	Positive	Negative	Neither	
Welsh Language	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<p><i>If the application for funding is successful, it will lead to a further education provider in the centre of Newport City Centre. Serving as a landmark tenant, it is reasonable to expect it will generate national/international attention, elevating awareness of Wales and its culture.</i></p> <p><i>Although the decision to apply for levelling up funding will not specifically raise awareness of the Welsh language, the proposal itself will allow for the delivery of skills development through the medium of Welsh, and will ensure the skills requirements of businesses can be met whilst also ensuring proactive use of the Welsh language.</i></p>

1. Please describe how you have ensured your engagement has considered the view of Welsh speakers in Newport.

This will be developed as part of the development of the course delivery model and course content offer. The current bid relates to the capital bid and the delivery of the physical facility.

3. The Sustainable Development Principle

The Well-being of Future Generations Act puts in place a sustainable development principle which helps organisations consider the impact they could have on people living in Wales in the future, and ensure they are focused on tackling long-term challenges. Below, consider how your decision promotes, advances, or contradicts the [5 ways of working](#) which underpin the sustainable development principle. You can access further guidance on considering the sustainable development principle [here](#).

<p>Long term</p> 	<p><i>The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.</i></p>	<p><i>The levelling up fund submission is being made to address the skills and qualifications demand in the STEM, cyber and data sectors. For the community of Newport, by locating this in the City, the Council can support the creation of long-term, high value jobs for residents. An ongoing supply of home-grown skilled professionals will also attract further businesses to Newport, ensuring ongoing economic prosperity.</i></p>
<p>Prevention</p> 	<p><i>Putting resources into preventing problems occurring or getting worse</i></p>	<p><i>The skills shortages in the STEM, cyber and data industries are well documented, and Newport’s ability to continue to grow these sectors will be dependent on addressing this deficit. By putting resources into the provision of skills to the residents of the City (with a focus on reskilling those who are considering a career move) the sector can continue to grow.</i></p>
<p>Integration</p> 	<p><i>Considering how the public body’s well-being objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</i></p>	<p><u>Wales’ Well-being Goals</u></p> <ul style="list-style-type: none"> <i>A prosperous Wales- specific skills provision will ensure new, sustainable jobs are created and retained in Wales, driving local prosperity</i> <i>A resilient Wales- by supporting the growth of the cyber, digital and tech sector through skills development, Newport, the Cardiff Capital Region, the Western Gateway- and Wales- can ensure its population possesses the necessary skills to contribute to the workforce</i>

		<ul style="list-style-type: none">• <i>A healthier Wales- the NTI will stimulate further footfall and activity in the City Centre, encouraging a broad range of individuals to use the City Centre on a regular basis</i>• <i>A more equal Wales- reskilling will occur across the City within a broad cross-sector of communities, ensuring individuals from all backgrounds can take advantage of these new, high-value jobs.</i>• <i>A Wales of more cohesive communities- the NTI will ensure the workforce of the cyber, digital and tech sectors in Wales are diverse in their composition, thereby encouraging community cohesion.</i>• <i>A Wales of vibrant culture and thriving Welsh Language- the NTI will ensure Welsh speakers and residents are able to fill role vacancies, highlighting the importance of the language and increasing opportunities for its usage</i>• <i>A globally responsible Wales- a workforce that can respond to skills requirements will see more of these businesses come into the City, and increase opportunities for the local authority to influence their activities</i> <ol style="list-style-type: none">1. To improve skills, educational outcomes and employment opportunities The opportunity to improve skills provision across the City will provide residents with greater access to employment and will allow businesses to grow and expand.2. To promote economic growth and regeneration whilst protecting the environment The proposal will grow confidence in potential investors that Newport city centre is an ideal location for their business and that the future training and skills needs of their business can be accommodated.
--	--	--

		<p>3. To enable people to be healthy, independent and resilient The flexibility of the NTI offer will promote improved physical and mental health and wellbeing as it will give people the ability to reskill and learn in a more modern way.</p> <p>4. To build cohesive and sustainable communities Cohesive communities where more people from various backgrounds are supported into developing more and varied skills to improve their opportunities of employment.</p>
<p>Collaboration </p>	<p><i>Working together to deliver objectives.</i></p>	<p><i>The Council is looking to prepare this proposal in collaboration with both the private sector and the education sector. If the funding application is successful, the roles of both will prove crucial in its successful delivery.</i></p>
<p>Involvement </p>	<p><i>Involving those with an interest and seeking their view - ensuring that those people reflect the diversity of the area.</i></p>	<p><i>Those stakeholders involved in preparing the bid for submission will subsequently be involved if funding is awarded- this is a broad cross section of individuals and letters of support will be submitted to provide further evidence for the bid. This includes:</i></p> <ul style="list-style-type: none"> - <i>Local businesses</i> - <i>The MP for Newport West, Senedd members for Newport</i> - <i>Representatives from higher and further education</i> - <i>Representatives from the private sector</i> <p><i>The involvement of all these individuals will be key, as the Council will not be the sole driver for the project if funding is awarded.</i></p>

4. Socio-economic Duty

The [Socio-economic Duty](#) is set out in the Equality Act 2010, and requires the council, when making strategic decisions, to pay due regard to the need to reduce the inequalities of outcome that result from socio-economic disadvantage. Inequalities of outcome are felt most acutely in areas such as health, education, work, living standards, justice and personal security, and participation.

A 'strategic decision' is defined by Welsh Government as a decision **which affects how the council fulfils its statutory purpose over a significant period of time and does not include routine 'day to day' decisions**. Strategic decisions include:

- Corporate plans
- Setting wellbeing, equality and other strategic objectives
- Changes to, or development of public services
- Strategic financial planning
- Strategic policy development

If you do not think your decision meets this definition, and you do not plan on carrying out a Socio-economic Duty Assessment in this section, please provide your rationale below. Any decision which is presented to a Cabinet Member, at Cabinet or Council will be viewed as a strategic decision.

If your decision does meet the definition, please consider the impact of your decision on the socio-economically disadvantaged groups, and areas of inequality that may arise from socio-economic disadvantage contained in the matrix below. The groups listed are not exhaustive and you should consider any additional groups relevant to your decision who may experience socio-economic disadvantage in the following ways:

- **Low Income/Income Poverty** - cannot afford to maintain regular payments such as bills, food, clothing, transport etc.
- **Low and/or no Wealth** - enough money to meet basic living costs and pay bills but have no savings to deal with any unexpected spends and no provisions for the future
- **Material Deprivation** - unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, hobbies etc.)
- **Area Deprivation** - where you live (rural areas), where you work (accessibility of public transport)

- Socio-economic Background – for example, parents’ education, employment and income

Indicate a positive or negative impact, or both where they apply, and the severity of this impact by coding the sections of the grid based on the below. *If there is no/neutral impact, please leave blank.*

Negative Impact		Positive Impact	
N1	Negative impact – mild	P1	Positive impact – mild
N2	Negative impact – moderate	P2	Positive impact – moderate
N3	Negative impact – significant	P3	Positive impact – significant
N4	Potential for negative impact (but unsure)	P4	Potential for positive impact (but unsure)

Areas of inequality that may arise from socio-economic disadvantage – definitions							
Education :The capability to be knowledgeable, to understand and reason, and to have the skills and opportunity to participate in the labour market and in society							
Work : The capability to work in just and favourable conditions, to have the value of your work recognised, even if unpaid, to not be prevented from working and to be free from slavery, forced labour and other forms of exploitation							
Living Standards : The capability to enjoy a comfortable standard of living, in appropriate housing, with independence and security, and to be cared for and supported when necessary.							
Justice, Personal Security and Community Safety : The capability to avoid premature mortality, live in security, and knowing you will be protected and treated fairly by the law							
Health : The capability to be healthy, physically and mentally, being free in matters of sexual relationships and reproduction, and having autonomy over care and treatment and being cared for in the final stages of your life							
Participation : The capability to participate in decision making and in communities, access services, know your privacy will be respected, and express yourself							
Groups							
	Areas of inequality						
	Living Standards	Work	Health	Education	Justice and community safety	Participation	Physical Environment
Children living in poverty	P4	P2	P4	P2	P1	P2	P4
Low income households without dependent children	P2	P3	P2	P3	P1	P3	P4
Unemployed young people	P2	P3	P2	P3	P1	P3	P4
Long term unemployed	P2	P3	P2	P3	P1	P3	P4
Homeless households	P3	P3	P2	P3	P2	P3	P4
Refugees, migrants and asylum seekers	P2	P3	P2	P3	P1	P3	P4

Deprived neighbourhoods - WIMD rank in 10% most deprived LSOA	P2	P3	P2	P3	P2	P3	P4
People on Universal Credit / income related benefits	P2	P3	P2	P3	P1	P3	P4
Adults with no qualifications or low qualifications	P2	P3	P2	P3	P1	P3	P4
People living in low quality housing or in Houses of Multiple Occupation	P2	P3	P2	P3	P2	P3	P4

1. What evidence do you have about socioeconomic disadvantage and inequalities of outcome in relation to this decision?

The reskilling of residents to take on new job roles serves as an opportunity for all, regardless of level of experience. There is also the added benefit of job roles in cyber and tech being available as work from home positions, ensuring better accessibility for those who may have previously struggled to enter the workforce. The focus is on developing these skills within Newport across a whole range of backgrounds and individuals and for this reason it is felt this proposal is supporting those experiencing inequality from socio-economic disadvantage.

The Cardiff Capital Region's Skills Partnership seeks to "Strengthen the post-16 further education offer in priority sectors through increased specialisation to meet the demand from employers across the City Region", and the UK Government (through its "Plan for Jobs") has delivered a series of programmes to support jobseekers back into work e.g. the Kickstarts programme. The NTI brings together these two objectives- the need to meet employers skills requirements and bring people back into work- with the benefits of such action being realised for the people of Newport.

2. Please describe how you have ensured your engagement has considered the views of people living in Newport who are affected by socio-economic disadvantage.

As previously mentioned, the application for funding has been informed by the views of a broad cross section of stakeholders. If the funding application is successful a broader programme of engagement for the delivery phase (including direct engagement with those affected by socio-economic disadvantage) will be engaged.

3. Does this decision contribute to a cumulative impact?

The proposal contributes to the delivery of ongoing targets set out in the Council's Corporate Plan:

- The proposal helps to realise the Council's ongoing regeneration ambitions in the City Centre (**Thriving City**), stimulating local prosperity and improving the quality of the public environment.
- The skills provision made available by the proposal will contribute directly to realizing the objective around **Resilient Communities**, ensuring a broad cross section of residents across a range of diverse backgrounds can benefit from the new jobs being created through the growth of Newport's cyber and data sector.
- The increase of tertiary education capacity to meet the needs of Newport's future economic and social changes (**Aspirational People**).

Whilst it should be acknowledged that not all residents will undertake this training, it will provide a platform for a number of those socio-economically disadvantaged to benefit from Newport's local economic prosperity, in a way that does not marginalise other groups.

Part 3: Actions and Outcomes

Considering any negative impacts that you have identified, indicate below how you will reduce these, and how you will monitor potential impact. Further guidance on how to complete your action plan can be found [here](#).

IMPACT ON PEOPLE THAT SHARE PROTECTED CHARACTERISTICS			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner
IMPACT ON WELSH LANGUAGE			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner
SOCIO-ECONOMIC IMPACTS			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner

SUSTAINABLE DEVELOPMENT PRINCIPLE			
Summary of impact	Action to reduce negative impact	How this impact will be monitored	Owner

Once your FEIA is complete, please forward to nccequality@newport.gov.uk

Report

Cabinet

Part 1

Date: 15 June 2022

Subject **Outturn Report on Treasury Management for the period 2021/22**

Purpose This report informs Cabinet of treasury activities undertaken in 2021/22 and confirms, (other than interest rate volatility exposure), that all treasury and prudential indicators have been adhered to. Cabinet is asked to make any comments or observations, as needed, which will be included in this report when subsequently sent to Cabinet.

Author Head of Finance / Assistant Head of Finance

Ward All

Summary In line with the agreed Treasury Management Strategy, the Council continues to be both a short-term investor of cash and borrower to manage day-to-day cash flows. Current forecasts indicate that in the future, temporary borrowing will continue to be required to fund normal day-to-day cash flow activities and longer-term borrowing will increase to fund new commitments in the current capital programme as well as the impact of reduced capacity for 'internal borrowing'. However, during 2021/22, and symptomatic in the previous year too, the Council has received a net inflow of extra-ordinary resourcing by way of extra RSG and grant whilst also experiencing a significant slippage in the capital programme spending, to become a net investor of funds in the short term, and this has caused the unusual variance and non-compliance against the performance indicator previously set that monitors exposure to interest rate changes.

During the year the Council's net borrowing decreased by £44.5m from £128.3m at 31 March 2021 to £83.8m at 31 March 22.

The position as described for 2021/22 above with the Council being a net investor and repaying long term borrowing (without the need to re-finance it) is short term and it is expected that the position will return to 'normal' and in line with the Council's position of holding relatively minimal investments and increasing its long-term borrowing over the medium term.

Proposal To note the report on treasury management activities for the period 2021-22 and provide comments to Council.

Action by Head of Finance / Assistant Head of Finance

Timetable Immediate

This report was prepared after consultation with:

- Treasury Advisors
- Head of Finance

Signed

Background

1. In June 2009 the Authority adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2011 Edition (the CIPFA Code) which requires the Authority to approve a treasury management annual report after the end of each financial year.
2. Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2017 Edition (the CIPFA Code) which required the Authority to approve a treasury management strategy before the start of each financial year and, as a minimum, a semi-annual and annual treasury outturn report. This report fulfils the Authority's legal obligation to have regard to the CIPFA Code.
3. CIPFA defines Treasury Management as

The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The successful identification, monitoring and control of risk are therefore central to the Authority's treasury management strategy.

4. The 2021/22 Treasury Management Strategy was approved by the Council as part of the Capital Strategy in March 2021 and can be viewed via the following link

<https://democracy.newport.gov.uk/documents/s19160/06%20Capital%20Strategy%20and%20Treasury%20Strategy%202021.pdf?LLL=0>

5. This report presented the following information:

- details of capital financing, borrowing, debt rescheduling and investment transactions
- reports on the risk implications of treasury decisions and transactions
- details the monitoring position on treasury management transactions
- confirms compliance with treasury limits set and Prudential Code

This report was considered by the 'Governance and Audit Committee' in their May meeting who discussed the report. No issues or observations requiring reporting to Cabinet/Council were made.

BORROWING STRATEGY / ACTIVITY

Short and Long Term Borrowing

1. Whilst the Council has significant long-term borrowing requirements, the Council's current strategy of funding capital expenditure is through the concept of 'internal borrowing' where the Council seeks to use its existing cash balances and reserves to afford its capital expenditure prior to the necessity to take out external borrowing i.e. we defer taking out new long term borrowing and fund capital expenditure from the Council's own cash resources for as long as we can – which it has because of its 'cash-backed' reserves and, to a lesser extent, day to day positive cash-flows. The Council may undertake borrowing early if there is a clear underlying need for future borrowing and it feels it can minimise risk of future interest rate rises while providing value for money. Any such action will be in line with advice from our treasury advisors. Such decisions may be more prevalent into the future as Bank of England has started to increase interest rates as a mechanism to mitigate inflationary pressures.

2. By using an internal borrowing strategy the Council can also minimise cash holding at a time when counterparty risk remains relatively high, especially with the current economic implications of the Covid-19 pandemic. The interest rates achievable on the Council's investments are also significantly lower than the current rates payable on long-term borrowing and this remains a sensible consideration in operating an 'internal borrowing' arrangement.
3. Whilst the strategy minimises investment counterparty risk, the risk of interest rate exposure is increased as the current low longer term borrowing rates may rise in the future. The performance indicator for interest rate exposure is exceeded currently due primarily to the level of recurrent short term investments being undertaken. There has been a conscious choice to keep a larger "cash" balance during the Covid-19 pandemic and there is also an assumption that capital expenditure levels will need to increase significantly to address the levels/budgets approved in capital programme. The market position is being constantly monitored in order to minimise this risk.
4. The following table compares the borrowing levels at the end of 2021-22 with the equivalent from the end of the previous year. This indicates a net reduction in borrowing of £11m during 2021-22, predominantly through the redemption of the short term temporary loan and a PWLB loan at end September, neither of which has been replaced, plus we have a number of loans which are Equal Instalments of Principal (EIP), which pays back principal over the life of the loan, so the borrowing levels decline naturally over the life of the loan as an alternative to maturity based loans where the amount borrowed is only repaid at the end when the loan period expires.

Comparison	21-22	20-21
Public Works Loan Board	97,064,396	101,972,948
Temporary Borrowing		5,000,000
Interest free Borrowing	10,079,672	10,553,464
LOBOS	30,000,000	30,000,000
Ex Lobos	5,000,000	5,000,000
	142,144,068	152,526,412

5. In regards to LOBOs, no loans were called during the period. All £30m outstanding is subject to potential change of interest rates by the lender (which would automatically trigger a right to the Council to repay these loans, at no cost). Should a change of interest rate be requested, then it will be considered in detail and a decision on how we proceed will be made in conjunction with our treasury advisors.
6. These LOBO loans historically used LIBOR as a reference rate for calculating repayment offers. Traditionally LIBOR (the London Interbank Offered Rate) has been used by the financial sector to reflect a series of interest reference rates for a variety of periods, including 'overnight' or longer term periods of one, three, six or twelve months. (Interest rates for periods longer than overnight are often referred to as "term rates"). These reference rates have traditionally underpinned and are used as a basis for calculating many interest rates for financial products.
7. In December 2021 LIBOR was discontinued and has been replaced by an alternative reference rate, SONIA (the Sterling Overnight Index Average). They are broadly comparable when used as LOBO reference rates, and our treasury advisors exhibited no concern in accepting changes to the terms and conditions of these loans to update any reference of LIBOR to SONIA. The change was not regarded as fundamental to introduce a redemption condition unlike if the actual rate of the loan were proposed to change.

INVESTMENTS ACTIVITY / POSITION

8. The Council's strategies in this area of Treasury Management are

- (i) to be a short term and relatively low value investor, consistent with the pursuit of an 'internal borrowing strategy' and
 - (ii) investment priorities should follow the priorities of security, liquidity and yield, in that order.
9. The following table compares the investment levels at the end of 2021-22 with the equivalent from the end of the previous year. This indicates a net increase in investment activity of £33.5m during 2021/22

Comparison	21-22	20-21
Investment	- 58,265,000	- 24,780,000

These investments reflect surplus cash invested in financial institutions or organisations to provide a return. Appreciating the ongoing Ukrainian turmoil, (and also, given the global nature of investment markets, the difficulty in tracking ultimate consequences), none of our investments directly involve Russian institutions.

It may be interesting to highlight the current volatility experienced in cash management around the year end. Circa £30m of investments were placed with other Councils in the last 2 weeks of the financial year, symptomatic of the extra cash flowing into the Council through grant funding, extra revenue support grant and capital expenditure being less than predicted by project managers. The majority of this was placed as short term investments of 3-6 weeks.

Due to the continuing pandemic the Authority has continued to keep more cash available at shorter notice than is normal to cover any unexpected calls on cash flow. Currently there is not much demand for very short term borrowing within the market place, and rates on deposits below 14 days with the Debt Management Account Deposit Facility (DMADF) are still very low at 0.5%. The Authority investments with other local authorities are for slightly longer periods and involve interest rates of between 0.57% and 0.62%, but with still quite low interest rates. It is anticipated that investments will reduce during 2022/23 as an alternative to borrowing until we reach the balance of £10m, which will remain invested for compliance with MiFID II.

10. As an explanation to new members of the Committee, January 2018 saw the implementation in the UK of the second Markets in Financial Instruments Directive (MiFID II), where treasury consulting firms were obliged to treat all local authorities as retail clients unless they opted up to professional client status and met certain criteria. Those criteria included holding a minimum of £10m investment balance and employing knowledgeable and experienced staff to carry out investment transactions.
11. Currently the Council has £10m invested with the CCLA Investment management fund into the medium term to satisfy this requirement. CCLA operates a number of pooled funds consistent with the risk appetite of public and charity sectors, such that it derives a greater level of return both in terms of capital growth and investment returns than traditional deposit investments whilst focussing on lower-risk instruments.

IMPACT OF COVID-19 PANDEMIC

12. Since the early days of the pandemic the Council has been monitoring the impact on cash flow closely. In addition to the business grants, the Council saw an increase in Covid-19 related expenditure, a reduction in income across services, and a pressure in the collection of Council Tax and Non-Domestic Rates (NDR) which resulted in extra resourcing for WG in the form of extraordinary settlement funding and the provision of resourcing to assist with taxation relief schemes such as NDR Relief Scheme for retail, leisure and hospitality businesses.

13. All of the above would have had a significant impact on cash flow if not addressed. However, WG continue to have mitigated this impact by reimbursing increased expenditure through the hardship fund and through loss of income claims. WG have also repaid the business grants in a timely manner, as well as providing a grant to support the cash flow of the 100% rate reliefs. Up to this point this has certainly assisted with cash flow and the Council has not been required to undertake additional net borrowing to address cash flow considerations.
14. 2022-23 is potentially going to be more volatile from a cash flow management point of view as the Council's services shift to a more traditional provision with increased emphasis of some services being paid for by customer fees and charges again, as an alternative to receiving Covid 19 hardship and support grants from Welsh Government. However helpfully this may also mean in time that the Council can move to a greater degree of longer term investments as opposed to the current short term strategy.

NON-TREASURY INVESTMENTS

15. The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in the Investment Guidance issued by Ministry of Housing, Communities and Local Government's (MHCLG) and Welsh Government, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

The Authority also held such investments in:

- directly owned property such as office and commercial units of £12.7m
- loans to developers £10.6m
- shareholding in subsidiaries £0.3m (Newport Transport)

Directly held property is subject to annual valuation review which can change the value of the holding. In terms of the financial valuations of these assets, the outbreak of Covid-19 has impacted global financial markets such that less weight can be attached to previous market evidence for comparison purposes, to inform opinions of value. Therefore, the valuations are currently reported on the basis of 'material valuation uncertainty'. Consequently, less certainty and a higher degree of caution should be attached to the valuation of these property investments than would traditionally be the case. The above figure is reflective of 2020-21 Accounts, and is provided as an illustration as the Accounts process for 2021-22 won't have concluded by the time this paper is finalised.

The developer loans activity reflects those regenerative projects that are included within the capital programme to assist developers with cash flow loans on particular projects and which are required to be repaid plus interest. The increase of £5.9m during 2021-22 when compared to previous year reflects the progress experienced in relation to the Indoor Market and Mill Street regeneration schemes predominantly.

OTHER TREASURY CONSIDERATIONS FOR 2021-22

Economic background and Counter Party Update

16. Appendix A outlines the underlying economic environment as provided by the Council's Treasury Management Advisors, Arlingclose. This is very useful context in informing annual strategy and assisting in effective treasury decisions.
17. Our treasury management advisors Arlingclose have completed a recurrent review of its credit advice on unsecured deposits. The outcome of that review included additions to the counterparty list (e.g. NatWest Markets plc) together with the removal of the previous suspensions (e.g. Handelsbanken plc). In addition, the maximum duration for all recommended counterparties was

extended to 100 days. Importantly, the long-term rating of Santander UK, (the Council's bankers), remains at A+; above the Council's minimum level of A-. Whilst our CCLA investment of £10m (for MiFiD purposes) is likely to be longer term than most of our other investments, because of its on call nature it generally still wouldn't be considered a long term investment. During 2022-23 as Council services resume to a more traditional pattern and profile, it is intended that an analysis be undertaken whether cash flow movements will allow a degree of short term investments to instead be invested longer term.

Compliance with Prudential Indicators approved by Council

18. The Authority measures and manages its exposures to treasury management risks using various indicators which can be found in Appendix B. There is an exception that the Council is exposed to higher degree of interest rate fluctuation than anticipated in the treasury strategy, the rationale of which is explained in that appendix and reflects primarily the updated interpretation of the Council's LOBO loans as 'variable' interest' loans and volume of net investments being undertaken at the moment. But other than that, the Authority has complied with the Prudential Indicators for 2021/22, set in March 2021 as part of the Treasury Management Strategy. Appendix B sets out more detail here.

PWLB future lending terms

19. Members will be aware that the Public Works Loan Board (PWLB), the main borrowing institution used by councils, increased interest rates on loans in the autumn of 2019 following concerns about the level of Local Government debt, in particular for commercial activities.

These have manifested themselves in enhanced PWLB rules being adopted during 2021/22, to preclude advantageous PWLB borrowing rates being used to fund investments primarily for yield. These checks are anticipated to add 2 days to the approval mechanism. The guidelines also allow for sanctions being applied to any counterparty using this funding source erroneously, varying from no longer being able to use PWLB for any of its borrowing, having to unwind specified transactions and/or the application of fines and penalties depending upon the severity of the breach.

Risks

Risk	Impact of Risk if it occurs* (H/M/L)	Probability of risk occurring (H/M/L)	What is the Council doing or what has it done to avoid the risk or reduce its effect	Who is responsible for dealing with the risk?
Investment counterparty not repaying investments	High but depending on investment value	Low	The Council only invests with Institutions with very high credit scores. It employs advisors to monitor money market movements and changes to credit scores and acts immediately should things change adversely. The lower levels of funds available for investment will also alleviate the risk.	Members, Head of Finance, Treasury staff, based on advice from treasury advisors
Interest Rates moving adversely against expectations	Low	Low	Future expectations for higher short term rates are subdued. The Treasury strategy approved allows for the use of short term borrowing once investment funds are exhausted to take advantage of these low rates.	Head of Finance, Treasury staff, treasury advisors

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

It is the Council's policy to ensure that the security of the capital sums invested is fully recognised and has absolute priority. The Council follows the advice of the Welsh Government that any investment decisions take account of security, liquidity and yield in that order.

Options Available and considered

The Prudential Code and statute requires that, during and at the end of each financial year, reports on these matters are presented to Council for approval.

Preferred Option and Why

The approach required by statute is quite prescriptive, such that there aren't many choices/options. This report is a regular half yearly event. The Governance and Audit Committee acts as the main scrutiny mechanism before a similar report is received by Cabinet/Council.

Comments of Chief Financial Officer

Decisions made on treasury matters will be made with a view to comply with the Treasury Management Strategy, Prudential Indicators, taking advice, where needed, from our Treasury Advisers.

The Council has, to all intent and purpose, complied with its Prudential Indicators with the one 'interest rate exposure' failed indicator being more 'technical' in nature and caused by the unprecedented treasury position the Council (like most others) finds itself in. This is expected to be a short term position and we should see the level of investments fall during 2022/23 and external borrowing increase, in line with requirements, over the medium term. It does not give rise to any concern or heightened risk.

Comments of Monitoring Officer

There are no legal implications. The in year and annual treasury management report is consistent with relevant Chartered Institute of Public Finance and Accountancy Guidance, Treasury Management principles and the Council's investment Strategy.

Comments of Head of People and Business Change

There are no direct HR implications associated with the report.

The Well-being of Future Generations Act requires public bodies to balance short-term needs with the needs to safeguard the ability to meet long-term needs. As stated in this report, the Council continues to be both a short-term investor of cash and borrower to manage day-to-day cash flows but current forecasts indicate that in future temporary borrowing will continue to be required and longer-term borrowing will increase to fund the capital programme. Sound financial management by the Council aligns with the well-being goal of a Prosperous Wales.

Comments of Cabinet Member

The Cabinet Member confirms they have been received this report and has no comment.

Local issues

N/A

Scrutiny Committees

N/A

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**

- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

For this report, a full Fairness and Equality Impact Assessment has not been undertaken. This is because this report is not seeking any strategic decisions or policy changes, with its purpose being to update on the treasury management activities for the year retrospectively. However, fairness and equality are considered as part of service delivery and will feature in annual finance reports, such as the Treasury and Capital Strategy.

In terms of the Wellbeing of Future Generations (Wales) Act, and the five ways of working contained within it, this report highlights examples of these being supported. This report is a backwards looking report of the treasury management activities of the Council. It shows that we followed the treasury management strategy and the compliance with prudential code and treasury management indicators. This links into the long-term objectives of the authorities and ensures that the Councils' activities are carried out in an affordable, prudent and sustainable manner.

In the case of the Welsh Language, the service will continue to ensure that, wherever possible, services or information is available in the medium of Welsh.

The Equality Act 2010 contains a Public Sector Equality Duty, which came into force on 06 April 2011. The Act identifies a number of 'protected characteristics', namely age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; sexual orientation; marriage and civil partnership. The new single duty aims to integrate consideration of equality and good relations into the regular business of public authorities. Compliance with the duty is a legal obligation and is intended to result in better-informed decision-making and policy development and services that are more effective for users. Nothing in this report is considered to have a direct equality impact.

Consultation

N/A

Background Papers

Report to Council March 2021: Capital Strategy and Treasury Strategy.

Dated: 8 June 2022

APPENDIX A

External Context – Provided by Council’s Treasury Advisors

Economic background: The continuing economic recovery from coronavirus pandemic, together with the war in Ukraine, higher inflation, and higher interest rates were major issues over the period.

Bank Rate was 0.1% at the beginning of the reporting period. April and May saw the economy gathering momentum as the shackles of the pandemic restrictions were eased. Despite the improving outlook, market expectations were that the Bank of England would delay rate rises until 2022. Rising, persistent inflation changed that.

UK CPI was 0.7% in March 2021 but thereafter began to steadily increase. Initially driven by energy price effects and by inflation in sectors such as retail and hospitality which were re-opening after the pandemic lockdowns, inflation then was believed to be temporary. Thereafter price rises slowly became more widespread, as a combination of rising global costs and strong demand was exacerbated by supply shortages and transport dislocations. The surge in wholesale gas and electricity prices led to elevated inflation expectations. CPI for February 2022 registered 6.2% year on year, up from 5.5% in the previous month and the highest reading in the National Statistic series. Core inflation, which excludes the more volatile components, rose to 5.2% y/y from 4.4%.

The government’s jobs furlough scheme insulated the labour market from the worst effects of the pandemic. The labour market began to tighten and demand for workers grew strongly as employers found it increasingly difficult to find workers to fill vacant jobs. Having peaked at 5.2% in December 2020, unemployment continued to fall and the most recent labour market data for the three months to January 2022 showed the unemployment rate at 3.9% while the employment rate rose to 75.6%. Headline 3-month average annual growth rate for wages were 4.8% for total pay and 3.8% for regular pay. In real terms, after adjusting for inflation, total pay growth was up 0.1% while regular pay fell by 1.0%.

With the fading of lockdown – and, briefly, the ‘pingdemic’ – restraints, activity in consumer-facing sectors improved substantially as did sectors such as oil and mining with the reopening of oil rigs but materials shortages and the reduction in the real spending power of households and businesses dampened some of the growth momentum. Gross domestic product (GDP) grew by an upwardly revised 1.3% in the fourth calendar quarter of 2021 according to the final estimate (initial estimate 1.0%) and took UK GDP to just 0.1% below where it was before the pandemic. The annual growth rate was revised down slightly to 7.4% (from 7.5%) following a revised 9.3% fall in 2020.

Having increased Bank Rate from 0.10% to 0.25% in December, the Bank of England hiked it further to 0.50% in February and 0.75% in March. At the meeting in February, the Monetary Policy Committee (MPC) voted unanimously to start reducing the stock of its asset purchase scheme by ceasing to reinvest the proceeds from maturing bonds as well as starting a programme of selling its corporate bonds.

In its March interest rate announcement, the MPC noted that the invasion of Ukraine had caused further large increases in energy and other commodity prices, with the expectation that the conflict will worsen supply chain disruptions around the world and push CPI inflation to around 8% later in 2022, even higher than forecast only a month before in the February Monetary Policy Report. The Committee also noted that although GDP in January was stronger than expected with business confidence holding up and the

labour market remaining robust, consumer confidence had fallen due to the squeeze in real household incomes.

GDP growth in the euro zone increased by 0.3% in calendar Q4 2021 following a gain of 2.3% in the third quarter and 2.2% in the second. Headline inflation remains high, with CPI registering a record 7.5% year-on-year in March, the ninth successive month of rising inflation. Core CPI inflation was 3.0% y/y in March, was well above the European Central Bank's target of 'below, but close to 2%', putting further pressure on its long-term stance of holding its main interest rate of 0%.

The US economy expanded at a downwardly revised annualised rate of 6.9% in Q4 2021, a sharp increase from a gain of 2.3% in the previous quarter. In its March 2022 interest rate announcement, the Federal Reserve raised the Fed Funds rate to between 0.25% and 0.50% and outlined further increases should be expected in the coming months. The Fed also repeated its plan to reduce its asset purchase programme which could start by May 2022.

Financial markets: The conflict in Ukraine added further volatility to the already uncertain inflation and interest rate outlook over the period. The Dow Jones started to decline in January but remained above its pre-pandemic level by the end of the period while the FTSE 250 and FTSE 100 also fell and ended the quarter below their pre-March 2020 levels.

Bond yields were similarly volatile as the tension between higher inflation and flight to quality from the war pushed and pulled yields, but with a general upward trend from higher interest rates dominating as yields generally climbed.

The 5-year UK benchmark gilt yield began the quarter at 0.82% before rising to 1.41%. Over the same period the 10-year gilt yield rose from 0.97% to 1.61% and the 20-year yield from 1.20% to 1.82%.

The Sterling Overnight Rate (SONIA) averaged 0.39% over the quarter.

Credit review: In the first half of FY 2021-22 credit default swap (CDS) spreads were flat over most of period and are broadly in line with their pre-pandemic levels. In September spreads rose by a few basis points due to concerns around Chinese property developer Evergrande defaulting but then fell back. Fitch and Moody's revised upward the outlook on a number of UK banks and building societies on the Authority's counterparty to 'stable', recognising their improved capital positions compared to 2020 and better economic growth prospects in the UK.

Fitch also revised the outlook for Nordea, Svenska Handelsbanken and Handelsbanken plc to stable. The agency considered the improved economic prospects in the Nordic region to have reduced the baseline downside risks it previously assigned to the lenders.

The successful vaccine rollout programme was credit positive for the financial services sector in general and the improved economic outlook meant some institutions were able to reduce provisions for bad loans. However, in 2022, the uncertainty engendered by Russia's invasion of Ukraine pushed CDS prices modestly higher over the first calendar quarter, but only to levels slightly above their 2021 averages, illustrating the general resilience of the banking sector.

Having completed its full review of its credit advice on unsecured deposits, in September Arlingclose extended the maximum duration limit for UK bank entities on its recommended lending list from 35 days to 100 days; a similar extension was advised in December for the non-UK banks on this list. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remains under constant review.

Revised CIPFA Codes, Updated PWLB Lending Facility Guidance

In August 2021 HM Treasury significantly revised guidance for the PWLB lending facility with more detail and 12 examples of permitted and prohibited use of PWLB loans. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

CIPFA published its revised Prudential Code for Capital Finance and Treasury Management Code on 20th December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.

The principles of the Prudential Code took immediate effect.

To comply with the Prudential Code, authorities must not borrow to invest primarily for financial return. This Code also states that it is not prudent for local authorities to make investment or spending decision that will increase the CFR unless directly and primarily related to the functions of the authority. Existing commercial investments are not required to be sold; however, authorities with existing commercial investments who expect to need to borrow should review the options for exiting these investments.

Borrowing is permitted for cash flow management, interest rate risk management, to refinance current borrowing and to adjust levels of internal borrowing. Borrowing to refinance capital expenditure primarily related to the delivery of a local authority's function but where a financial return is also expected is allowed, provided that financial return is not the primary reason for the expenditure. The changes align the CIPFA Prudential Code with the PWLB lending rules.

Unlike the Prudential Code, there is no mention of the date of initial application in the Treasury Management Code. The TM Code now includes extensive additional requirements for service and commercial investments, far beyond those in the 2017 version.

Appendix B - 2021-22 Treasury Activities and Indicators

Local Context

On 31st March 2021, the Authority had net borrowing of £128.3m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. Whilst work on the 2021-22 Statement of Accounts remains a work in progress, a comparative draft illustration is provided in Table 1 below.

Table 1: Balance Sheet Summary

	31.3.22 Draft/budgeted £m	31.3.21 Actual £m
General Fund CFR	295	281
Less: *Other debt liabilities	-39	-41
Loans CFR	256	240
Less: Usable reserves	-168	-108
Less: Working capital	-4	-4
Net borrowing	84	128

* finance leases, PFI liabilities and transferred debt that form part of the Authority's total debt

Lower official interest rates have lowered the cost of short-term, temporary loans and investment returns from cash assets that can be used in lieu of borrowing. The Authority pursued its strategy of keeping borrowing and investments below their underlying levels, sometimes known as internal borrowing, in order to reduce risk.

The treasury management position at 31st March 2022 and the change during the year is shown in Table 2 below.

Table 2: Treasury Management Summary

	31.3.21 Balance £m	Movement £m	31.3.22 Balance £m	31.3.22 Rate
Long-term borrowing	136.9	-4.9	132.0	3.9%
Long term interest free borrowing	10.6	-0.5	10.1	0%
Short-term borrowing (inc. accrued interest £0.6k)	5.6	-5.6	0	N/A
Total borrowing	153.1	-11	142.1	
Long-term investments				
Short-term investments	-5.0	-31.0	-36.0	0.57%
Cash and cash equivalents	-19.8	-2.5	-22.3	0.71%
Total investments	-24.8	-33.5	-58.3	
Net borrowing	128.3	44.5	83.8	

Borrowing Update

Local authorities can borrow from the PWLB provided they can confirm they are not planning to purchase 'investment assets primarily for yield' in the current or next two financial years, with confirmation of the purpose of capital expenditure from the Section 151 Officer. Authorities that are purchasing or intending to purchase investment assets primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing.

Acceptable use of PWLB borrowing includes service delivery, housing, regeneration, preventative action, refinancing and treasury management.

Competitive market alternatives may be available for authorities with or without access to the PWLB. However, the financial strength of the individual authority and borrowing purpose will be scrutinised by commercial lenders.

The Authority is not planning to purchase any investment assets primarily for yield within the next three years and so is able fully access the PWLB

Borrowing Strategy during the period

At 31st March 2022 the Authority held £142.1m of loans, (a decrease of £11m against 31st March 2021, as part of its strategy for funding previous and current years' capital programmes. Outstanding loans on 31st March are summarised in Table 3 below.

Table 3: Borrowing Position

	31.3.21 Balance £m	Net Movement £m	31.3.22 Balance £m	31.3.22 Weighted Average Rate %	31.3.22 Weighted Average Maturity (years)
Public Works Loan Board					
Banks (LOBO)	102.0	-5.0	97.0	3.7	16.0
Banks (fixed-term)	30.0	0	30.0	4.4	32.3
Local authorities (long-term)	5.0	0	5.0	3.8	56.0
Local authorities (short-term)	0	0	0	N/a	N/a
Other WG loans	5.0	-5.0	0	N/a	N/a
Other WG loans	10.6	-0.5	10.1	0%	8.1
Accrued interest	0.6	-0.6	0	N/a	N/a
Total borrowing	153.1	-11.0	142.1		

The Authority's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Authority's long-term plans change being a secondary objective.

In keeping with these objectives, no new borrowing was undertaken, while £11m of existing loans allowed to mature without replacement. This strategy enabled the Authority to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk.

With short-term interest rates remaining much lower than long-term rates and with surplus of liquidity continuing to feature in the LA to LA market, the Authority considered it to be more cost effective in the near term to use internal resources or borrowed rolling temporary / short-term loans instead. The net movement in temporary / short-term loans is shown in table 3 above.

The Authority continues to hold £30m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. No banks exercised their option during the year.

Other Debt Activity

Although not classed as borrowing, the Authority previously raised capital finance previously to afford Glan Usk School and the Southern Distributor Road. The Accounts for 2021-22 are still being prepared at the time this report is finalised, but as an illustration the 2020-21 Statement of Accounts indicated an outstanding liability of £39m to pay to the operator.

Treasury Investment Activity

The Authority holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Authority's investment balances ranged between £17.9 and £58.2 million due to timing differences between income and expenditure. The investment position is shown in Table 4 below.

Table 4: Treasury Investment Position

	31.3.21 Balance £m	Net Movement £m	31.3.22 Balance £m	Income Return %	Weighted Average Maturity days
Banks & building societies (unsecured)	9.8	-7.5	2.3	0.2	-
Government (incl. local authorities and money market fund)	15.0	41.0	56.0	0.6	-
Total investments	24.8	33.5	58.3		-

Both the CIPFA Code and government guidance require the Authority to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

Ultra-low short-dated cash rates which have been a feature since March 2020 when Bank Rate was cut to 0.1% have resulted in the return on sterling low volatility net asset value money market funds (LVNAV MMFs) being close to zero even after some managers have temporarily waived or lowered their fees. At this stage net negative returns are not the central case of most MMF managers over the short-term, and fee cuts or waivers should result in MMF net yields having a floor of zero, but the possibility cannot be ruled out.

Deposit rates with the Debt Management Account Deposit Facility (DMADF) are also largely around

zero.

In the Treasury Management Strategy, it was agreed that the Authority will move into higher risk/higher yield investments such as pooled funds. In December 21, the Council invested £10m in a CCLA money market fund which is a pooled fund.

Non-Treasury Investments

The definition of investments in CIPFA's revised Treasury Management Code now covers all the financial assets of the Authority as well as other non-financial assets which the Authority holds primarily for financial return. This is replicated in the Investment Guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG) and Welsh Government, in which the definition of investments is further broadened to also include all such assets held partially for financial return.

The Authority also held investments in

- directly owned property such as office and commercial units of £12.7m
- loans to developers £10.6m
- shareholding in subsidiaries £0.3m

Treasury Performance

The Authority measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates, as shown in Table 6 below.

Compliance

The Head of Finance reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Authority's approved Treasury Management strategy. Compliance with specific investment limits is demonstrated in Table 5 below.

Compliance with the authorised limit and operational boundary for external debt is demonstrated in Table 7 below.

Table 5: Debt Limits

	2021/22 Peak Debt	2021/22 Operational Boundary	31.3.22 Actual	2021/22 Authorised Limit	Complied? Yes/No
Borrowing	146.5	187	142.1	255	Y
PFI and Finance Leases	39	42	39	42	Y
Total debt	185.5	229	181.1	297	Y

Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow. This has not been necessary, but it would not be counted as a compliance failure anyway.

As part of Treasury Strategy, the Council agreed the following counterparty limits and appetite towards investment risk. None of these indicators were breached during 2021-22.

Table 8: Investment Limits

Sector	Time limit	Counterparty limit	Sector limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£20m	Unlimited
Secured investments *	20 years	£10m	Unlimited
Banks (unsecured) *	13 months	£5m	Unlimited
Building societies (unsecured) *	13 months	£5m	£10m
Registered providers (unsecured) *	5 years	£5m	£25m
Money market funds *	n/a	£10m	Unlimited
Strategic pooled funds	n/a	£10 m	£25m
Real estate investment trusts	n/a	£10m	£25m
Other investments *	5 years	£5m	£5m

Credit rating	Banks unsecured	Banks secured	Government	Corporates	Registered Providers
UK Govt	n/a	n/a	£ Unlimited 50 years	n/a	n/a
AAA	£5m 5 years	£10m 20 years	£10m 50 years	£5m 20 years	£5m 20 years
AA+	£5m 5 years	£10m 10 years	£10m 25 years	£5m 10 years	£5m 10 years
AA	£5m 4 years	£10m 5 years	£10m 15 years	£5m 5 years	£5m 10 years
AA-	£5m 3 years	£10m 4 years	£10m 10 years	£5m 4 years	£5m 10 years
A+	£5m 2 years	£10m 3 years	£5m 5 years	£5m 3 years	£5m 5 years
A	£5m 13 months	£10m 2 years	£5m 5 years	£5m 2 years	£5m 5 years
A-	£5m 6 months	£5m 13 months	£5m 5 years	£5m 13 months	£5m 5 years
None	£1m 6 months	n/a	£10m 25 years	Not Applicable	£5m 5 years
Pooled funds and real estate investment trusts		£10m per fund or trust			

Treasury Management Indicators

The Authority measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures: This indicator is set to control the Authority's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interests was:

Interest rate risk indicator	31.3.22 Actual	2021/22 Limit	Complied?
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates (borrowing)	£300,000	£200,000	N

Upper limit on one-year revenue impact of a 1% <u>fall</u> in interest rates (investments)	(£362,000)	(£100,000)	N
--	------------	------------	---

Whilst both borrowing and investment sensitivity to interest rates is higher than level anticipated in the Treasury Strategy, this shouldn't be regarded as introducing a risk that requires specific mitigation, due to the following explanation.

Borrowing:

The only element of Council borrowing that is subject to interest rate volatility are LOBO loans. We have historically not assessed these as variable rate loans and in that circumstance, 100% of the Council's loans were fixed with no interest rate risk therefore possible. The limit was simply used here for any new in-year loans we might have taken out with a variable rate.

We have re-appraised the above position and assesses these now as variable rate loans; or more correctly, as "semi-fixed" as the Council has the choice to redeem the loan should an interest rate change be advocated without penalty. The effect of a 1% variance interest rate on these is calculated above. The non-compliance therefore predominantly arises due to a change in interpretation and therefore the basis of the target and the actual here as opposed to a true non-compliant issue. . Indeed, traditional replacement fixed rate loan finance is currently available at lower rate than the existing LOBO rates and therefore in the event that the Council were notified of an increase here, we would not suffer any actual budget pressure.

Investment:

In calculating the limit here, an estimate on amounts invested was made when setting this as that is a key component of any financial impact of a change in interest rates. In working out a limit in the treasury strategy, the investment interest sensitivity set would not have presumed that the Council would have £58m invested at the end of financial year. This is a key reason in understanding why this limit is non-compliant. The indicator here is a 'blunt tool' in reality as it also makes no reference to the budgeted/expected amount of interest income resulting from investments. In the event of a 1% decrease in rates, the budget would still have been achieved because the quantum of investments was so much higher than the base budget was based on.

In order to mitigate risk of both interest volatility and security of investments, £36m of this has been placed with other local authorities or government agencies at fixed rates so exclusive of interest rate risk. However these are short term in nature and will need to be reinvested at maturity. It is anticipated to use similar fixed rate arrangements and similar entities mitigating interest rates volatility exposure, however this isn't certain, so prudently this has been included in the calculation above. The Council also has £22m investments on call which would be more subject to variable interest rate volatility. £10m of that £22m relates to the Council's longer term investment in the CCLA fund, to satisfy MiFiD II requirements. The annual interest receivable relating to on call investments is £157k currently (including in the above table), reflective of 0.2% collective returns, these investments are priced very prudently, so it is unlikely that adverse interest rate fluctuations would be as great as 1%. Base rate increases introduced by Bank of England also mean that volatility indications are more skewed to affecting the borrowing line in above table than investments.

Maturity Structure of Borrowing: This indicator is set to control the Authority's exposure to refinancing risk. The upper and lower limits on the maturity structure of all borrowing were:

	31.3.22 Actual	Upper Limit	Lower Limit	Complied?
Under 12 months	1%	60%	0%	Y
12 months and within 24 months	1%	40%	0%	Y
24 months and within 5 years	23%	40%	0%	Y
5 years and within 10 years	3%	40%	0%	Y
10 years and within 20 years	19%	30%	0%	Y
20 years and within 30 years	16%	20%	0%	Y
30 years and within 40 years	21%	20%	0%	N
40 years and within 50 years	9%	20%	0%	Y
50 years and above	7%	20%	0%	Y

Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. *For presentational purposes LOBO option dates are treated as potential repayment dates.*

Please note that borrowing arranged to mature between 30 and 40 years hence shows a 1% compliance deficiency against the limit set. This is not because any new borrowing was arranged for this period during 2021-22 but instead more the consequence of £30m for that period now being more significant against a lower total borrowing. It is not cost effective to arrange early redemption of some of these loans to better comply with limits, particularly as borrowing levels can be expected to rise as Council addresses the backlog in capital programme expenditure.

Principal Sums Invested for Periods Longer than a year: The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end were:

	2022/23	2023/24	2024/25
Actual principal invested beyond year end	0	0	0
Limit on principal invested beyond year end	£10m	£10m	£10m
Complied?	Y	Y	Y

NB. Any "on call" investments are treated as less than 12 months investments as they can be redeemed at any time.

Other

IFRS 16: The implementation of the new IFRS 16 Leases accounting standard was due to come into force for local authorities from 1st April 2022. Following a consultation CIFPA/LASAAC announced an optional two year delay to the implementation of this standard a decision which was confirmed by the Financial Reporting Advisory Board in early April 2022. Authorities can now choose to adopt the new standard on 1st April 2022, 1st April 2023 or 1st April 2024. A straw poll amongst other Welsh authorities suggest a 2024 implementation date being most common, and there is sense in councils being consistent, but this will need to be ratified by Council explicitly. At the moment, Accountancy is working through the ramifications, particularly its impact upon the capital financing requirement to be able to advise members accordingly.



Report

Cabinet

Part 1

Date: 15 June 2022

Subject Newport City Council Covid-19 Response and Recovery Update

Purpose To present to Cabinet an update on the Council's progress being made towards recovering services and supporting Newport's communities as part of its Strategic Recovery Aims.

Author Chief Executive
Head of People Policy and Transformation

Ward All

Summary Following the April update to Cabinet, the Welsh Government has now removed all covid regulations. The case rate remains low across Newport and Wales and hospital Covid cases are also low in Gwent.

The Council is finalising policies and procedures to enable officers to hybrid work and since the local election in May held its first hybrid Council meeting. Council services are continuing to support communities and groups who are struggling with the cost of living crisis.

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

Action by Corporate Management Team

Timetable Immediate

This report was prepared after consultation with:

- Gold Recovery Group
- Corporate Management Team

Signed

Background

Since the last Cabinet Report in [April 2022](#), Newport Council and its partners have continued to monitor the Covid-19 cases in the city through its Gold Group of senior leaders and in liaison with Welsh Government (WG), Public Health Wales (PHW) and ABUHB partners.

Wales and Welsh Government Covid-19 Update (May / June)

In the last two months Covid cases significantly reduced across Wales with the case rate below 20 cases per 100,000. Further information can be obtained from the [Public Health Wales Dashboard](#). The hospitalisation and beds occupied with Covid-19 related patients has remained low in Wales. However, the NHS is still facing significant backlogs for planned treatment across the system. Across Wales and Newport there are many adults and children that are vulnerable to Covid. WG recently announced its programme for those who will be offered a Covid jab between September and December later this year. This will be offered to those who are residents in a care home for older adults (including staff), frontline health and social care workers, all those aged 65 and over and adults aged 16 to 65 in clinical risk group.

From the 30th May, all legal requirements to wear a face covering in health and care settings has ended. It is no longer a legal requirement to self-isolate but members of the public are still encouraged to take a test if they are displaying symptoms and to self-isolate if you have a positive test. Further information on the Welsh Government long term plan can be [found here](#).

NCC and Welsh Government Support

The last financial year has been difficult for many households and businesses as the City moves into a post pandemic phase. Covid is still impacting many countries across the world e.g. China which are having significant disruptions to the supply of goods alongside the ongoing Ukraine conflict which is impacting on the stability of the energy and food markets in Europe. The cost of living crisis over the last year has seen inflation rise to 9% (May 2022), increasing interest rates and stagnant / low wage increases unable to meet these costs all having an impact on low to middle income households. Businesses are also having to pass these increased costs onto the consumer as well. In April the Welsh Government announced a cost of living payment of £150 for households living in band A-D properties and is being administered by the Council. Access to this payment can be made [here](#). For businesses, Newport Council announced it will be using its [discretionary powers](#) to support businesses in the city centre in addition to the rate relief from [Welsh Government](#).

The Council also offers signposting for households to help with their finances [here](#).

Newport City Council Update

Restrictions at Council buildings have been removed in line with Welsh Government guidance and Office based staff in Newport are still encouraged to work from home and to only work at Council buildings if it is necessary. This requirement will remain in place as the Council is finalising the necessary policies and procedures to fully undertake hybrid and flexible working as part of its 'New Normal' project. Following the local elections in May, the Council successfully held its first Council Hybrid meeting in the Council Chambers and will now be extending this approach across Cabinet, Scrutiny and Regulatory meetings. Public access to buildings will be brought back in subject to meeting necessary security and health & safety requirements. An overview of the Council's position is outlined in the table below.

Strategic Recovery Aim	Summary of Council's activities to 31 st May 2022
Strategic Recovery Aim 1 – Supporting Education & Employment	<p>The Council continues to engage with partnerships to support residents accessing childcare, play and educational provision across the community hubs.</p> <p>A Newport wide jobs fair is being held on the 25th May at Newport Centre with 42 employers attending. The Work & Skills Team are working with Wilko to recruit for 50 jobs.</p>

Strategic Recovery Aim	Summary of Council's activities to 31st May 2022
	<p>Get into cleaning event to be held at Pill Mill Millennium 26th May & Job Centre Plus on 27th May in collaboration with Newport Norse to promote the benefits of working in the cleaning sector.</p> <p>Consideration is being given to how we can support social work skills and abilities and offer progression for entry level candidates. We are also hoping to match Restart participants into roles required through Community Renewal Funding projects, particularly in the filming sector.</p>
<p>Strategic Recovery Aim 2 – Supporting the Environment and the Economy</p>	<p>We continue to work with Housing Association partners to facilitate the delivery of affordable housing via the Social Housing Grant Programme. Newport spent its full Social Housing Grant allocation of £12m in 2021/22 plus an additional £4m of slippage. For the financial year 2022/23 Newport has an allocation of £16.3m of Social Housing Grant which it is proposed will support 14 affordable housing developments including two highly energy efficient and low carbon schemes.</p> <p>The Indoor Market opened in March and is a very popular venue. The Chartist Tower is nearing completion and hosting the Coach Tourers Association at end of May.</p> <p>Environmental Health activity is still disrupted by secondments into Test, Trace, Protect but the impact of the response to the pandemic on the service is easing. Excellent progress has been made on inspections of Food businesses to meet the requirements of the Food Standards Agency's Recovery Plan. Additional resources were made available for this work in April and May as resources for the Covid response were further reduced. 2 agency EHOs were also retained during April and May to increase performance in this area. All regulatory activity provides support to businesses wherever possible to avoid formal regulatory action.</p> <p>Officers no longer provide advice regarding COVID regulations as the business restrictions have been removed. Managers across Licensing and Trading Standards are now actively returning to business-as-usual activities. While absences linked to COVID still need to be managed, Council services regarding waste and cleansing activities and environment and leisure are also being delivered as business as usual.</p> <p>The revenues team have administered the WG NNDR relief scheme for eligible retail/hospitality businesses, with 50% reduction in bills as well as the NCC local discretionary scheme within the city centre.</p>
<p>Strategic Recovery Aim 3 – Supporting the Health & Wellbeing of Citizens</p>	<p>For the Council's Children services it is now business as usual. Adult services continue to provide all statutory duties with very limited staff. However internal residential staff for our 3 homes has improved and we are able to facilitate additional residential beds for the community or discharge from hospital. Domiciliary care providers continue to be a challenge for all our brokerage needs, with around 300 hours per week (roughly 30 packages of care) each week requiring a service. This pressure is due to their workforce pressures. The Occupational Therapy service is now fully staffed, but has a significant backlog that is audited and prioritised each week.</p> <p>Newport Council's Benefit team is administering the Unpaid Carer's Support scheme from the Welsh Government. A one off £500 payment is available for unpaid carers receiving Carer's Allowance from 16th May. Residents receiving Carer's Allowance need to submit their registration to the Council to access the funding here.</p> <p>Newport Council is still following Welsh Government guidance for staff to work from home unless required by their role. There is ongoing work as part of the New Normal project for staff to work hybrid from both their homes, Council offices and other suitable locations. We will continue to work closely with managers and trade union representatives as this work develops. Meeting rooms and other shared locations are now available for use and we continue to develop hybrid meeting technology.</p>

Strategic Recovery Aim	Summary of Council's activities to 31st May 2022
	<p>Families First recommissioning is in progress, aspiring for the new providers to be launched in the new year. The establishment of the new Prevention and Inclusion service area is welcomed, and is presently progressing with building the infrastructure. Discussions with stakeholders have commenced, with the outcome of this work providing an integrated and SMART programme of support for families and individuals.</p> <p>Early Years has continued to facilitate emergency grants 180 in total allowing families to access fundamental items such as bed etc as a partnership with Save the Children, geographically targeted at Bettws</p> <p>Transition from predominantly virtual delivery to face to face is moving at a pace with parenting groups now reconvened across the City</p> <p>Child Development Funding made available through the WG has continued to be targeted at providing activities that promote delayed development as a result of the pandemic across Newport. Additional resources have been targeted at children with ALN the % of ALN children has increased</p> <p>Early Help funding has been distributed to support organisations internal and external to the council to support reduction in waiting lists and increase support</p> <p>Summer Of Fun - The Early Years team continue to coordinate this increased package of support which aims to build on the success of the previous schemes and to continue important support for the wellbeing of children and young people aged 0 – 25 years. Engagement with play, sporting and cultural activities enables children and young people to continue their recovery from the restrictions of the last two years, with the added benefit of supporting families with the costs of activities over the summer holidays.</p> <p>Play – enhanced services have been implemented to mitigate isolation and encourage play opportunities, play provision for children with complex needs has been offered every school holiday to support the negative effect of COVID</p> <p>Flying Start expansion work is underway with additional areas due to be included in the near future, with an added focus on Welsh medium provision.</p> <p>Families have been supported with Covid Recovery grant funding, assisting with a variety of measures to improve family wellbeing following the pandemic.</p> <p>Temporary Active Travel schemes implemented during covid are being reviewed to either implement as permanent alterations where successful or remove as required.</p>
<p>Strategic Recovery Aim 4 – Supporting Citizens post Covid-19</p>	<p>In 2021/22 the Social Housing Grant Programme funded the development of over 55 new affordable homes. Developments at Tredegar Court, Coverack Road and Treberth are all due to complete shortly with developments at Emlyn Street and Hubert Road completing later this year.</p> <p>We have worked with RSL partners to access the newly established Welsh Government Transitional Accommodation Capital Programme funding. This funding supports the return to use of empty housing association properties and the development of housing association owned land and sites. We anticipate knowing the outcome of our first bid in early June 2022. We continue to work in partnership with Registered Social Landlords to provide suitable, affordable move on accommodation, although supply remains a challenge. Partnership work is ongoing which will help support vulnerable homeless households to ensure they receive the right support and accommodation. Phase 2 capital funded projects at Hill Street and Central Chambers will provide 24 units of accommodation and a housing support hub. Both are due to complete in June/ July 22.</p>

Strategic Recovery Aim	Summary of Council's activities to 31 st May 2022
	<p>Participatory Budget events have concluded and a total of 80 projects have secured funding, covering a diverse range of activities and audiences. We continue to work with these groups as the funding is issued.</p> <p>NCC is working in partnership with GAVO funding a fixed term Food Sustainability Co-ordinator to consider preventative work in relation to food poverty. The postholder will work closely with third sector partners and managing a grant programme which will further boost the capacity of food related projects</p> <p>The Council will be implementing the WG 'cost of Living grant scheme' from April – September which pays £150 to all households in Council Tax Bands A-D and those receiving Council Tax Reduction relief and this also includes a discretionary element of £1.2m which the Council will design and implement over the same period.</p> <p>Preparations underway for the WG expansion of Flying Start from Sept 23. Successful providers day was held with interested agencies as we progress with the recommissioning of Families First.</p> <p>Disabled Facilities Grant now sits in the new Prevention and Inclusion service area. We have identified ways to have a greater and earlier reach to support independent living post Covid.</p>

Financial Summary (Capital and Revenue)

The Council's financial (revenue and capital) update is reported separately as part of the Council's regular budget reports to Cabinet. The Covid-19 impact(s) are considered in the finance reports and are closely monitored as part of the Council's financial management processes.

Risks

Through the Council's Risk Management process, the Covid risk has been monitored every quarter to the Council's Cabinet and Audit and Governance Committee. Below is the latest update taken from Quarter 4 (January to March) 2021/22 risk report update.

Risk Title / Description	Risk Impact score of Risk if it occurs* (1-5)	Risk Probability of risk occurring (1-5)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Covid 19 Pandemic	4	4	See Report on action being undertaken by the Executive Board, CMT and Gold group to manage the Council's response.	Executive Board

Links to Council Policies and Priorities

Corporate Plan 2017-22
Strategic Recovery Aims

Options Available and considered

1. To consider and note the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.
2. To request further information or reject the contents of the report

Preferred Option and Why

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

Comments of Chief Financial Officer

Welsh Government have been supporting local authorities through the pandemic with a Hardship Fund intended to reimburse for all Covid related spend over and above existing budgets and within a set criteria. The fund also includes loss of income compensation; again, within a set criteria. The fund ran for the entire 2020/21 and 2021/22 financial years. In addition, where relevant, Welsh Government have provided specific grant funding to fund particular costs arising. This means that, overall, the financial impact of the pandemic upon the Council has been largely mitigated and this remains the case while restrictions continue to be eased.

Close monitoring of the financial issues arising, as a result of Covid, have continued throughout the financial year, with the overall impact during 2021/22 to be reported as part of the Outturn Report. All activities detailed in this report have either been funded via core budgets, specific grants or the Hardship Fund. To date, and in a similar vein to 2020/21, an overall underspend against the revenue budget is being projected. However, the underlying reasons for the underspend are not solely due to the effects of the pandemic and are largely one-off in nature.

The release of the draft settlement for local authorities took place on 21st December 2021 and confirmed local authorities were expected to manage the continuing financial impact of the pandemic from within existing resources. Therefore, as part of the budget setting and medium-term planning process, consideration was given to the potential ongoing financial impact, both in terms of additional expenditure and loss of income, beyond the 2021/22 financial year. The 2022/23 budget reflects the outcome of those discussions with resources allocated on both a one-off and recurring basis, to be reviewed on an annual basis as clarity regarding the permanent financial impact is achieved.

Comments of Monitoring Officer

There are no specific legal issues arising from the Report, which provides an update on the actions taken to deliver the Council's Covid-19 Response and Strategic Recovery Aims and progress since the previous report. Any legal issues in relation to the recovery plan will be picked up at the appropriate time as part of the operational delivery of the individual actions, within service areas. All legal restrictions have now been removed, with the exception of the wearing of face-coverings in health and social care setting. Therefore, all of the Covid-response regulatory and enforcement work has effectively ceased, although a scaled-back TTP service is being developed at a regional level.

Comments of Head of People, Policy and Transformation

There are no HR related issues arising directly from this report, and we will continue to work closely with managers and trade union representatives to develop policies for the workforce legislative measures are relaxed.

Continuing to adopt the rate relief scheme is in line with the Council's strategic recovery aims and its Well-being Objective to "Promote economic growth and regeneration whilst protecting the environment" and will support the "Newport Offer" intervention within Newport's Well-being Plan.

Scrutiny Committees

Not Applicable

Fairness and Equality Impact Assessment:

The areas covered in this report demonstrate the progress being made against the Strategic Recovery Aims which also support the Council's Corporate Plan 2017-22.

In consideration of the sustainable development principle, 5 ways of working:

Long Term – The progress reported against the Strategic Aims support the long term aims of the Council to improve people’s lives.

Preventative – The preventative work outlined in the report support the Council’s approach to minimising future Covid 19 outbreaks and as necessary provide targeted support to those that need it. Re-establishing services in line with necessary legislation and regulation enables the Council to operate in the new normal.

Integration – The Strategic Recovery Aims have been integrated with the Council’s Wellbeing Objectives set in the Corporate Plan as well as Service Plans. Recommendations from the Community Impact Assessment will also shape how the Council can improve the delivery of services across communities.

Involvement – Included in this report are actions to involve Newport’s communities to provide assurance and shape the way in which services are being delivered by the Council. Their feedback and involvement in the process will enable the Council to consider how services are delivered in the long term.

Collaboration - The actions in the report are being undertaken in collaboration with partners from the Council’s Public Services Board but also strategic partners within each service area. The collaborative work enables the Council to share resources and build expertise and knowledge.

Consultation

Not Applicable

Background Papers

Cabinet Report (Strategic Recovery Aims) – July 2020

[Corporate Plan 2017-22](#)

[Responding to the ‘New Normal’ Report to Overview and Management Scrutiny Committee](#)

Dated: 7 June 2022

This page is intentionally left blank



Report

Cabinet

Part 1

Date: June 2022

Subject Post EU Transition Update for Newport City Council

Purpose To present an update to Cabinet on developments since the UK left the European Union on Newport Council services and Newport's communities and economy.

Author Chief Executive
Head of People, Policy and Transformation

Ward All

Summary Since the UK left the European Union in December 2020 the UK and Wales has been adjusting to the trade arrangements, reacting to the wider global economic impacts and Covid restrictions.

The global economic challenges, and Ukraine conflict is placing cost of living pressure on households and businesses. There continues to be inflationary increases on food, fuel and energy prices. These pressures are set to increase further in 2022.

In response, Newport Council is implementing the Welsh Government's £150 Council Tax payment for properties in bands A to D and the unpaid carers support scheme. A further £15m is available through the Discretionary Assistance Fund to provide financial support to individuals and families who are experiencing extreme financial pressures.

There continues to be support provided to the city's EU/EAA communities with late EU Settlement Scheme applications and advice around rights and entitlements. Newport Council is supporting Ukrainian refugees and is offering support to the Ukrainian families living and working in Newport. We also recognise the impact that the conflict in the Ukraine is having on our wider EU communities, many of whom have links to neighbouring countries who are also affected.

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

Action by Corporate Management Team

Timetable Immediate

This report was prepared after consultation with:

- Heads of Service and officer 'Task and Finish' group.

Signed

Background

It has been two and half years since the UK left the European Union. The UK and Wales continues to see positive and negative impacts on the economy as it adjusts to the new trade arrangements but also respond to the wider global impacts following the pandemic and more recently the conflict in Ukraine. Households and businesses across Wales and Newport are facing an unprecedented cost-of-living crisis fuelled by soaring energy bills and inflation rises. The Office for National Statistics ([ONS](#)) reported a 7.8% increase in the Consumer Price Index in the 12 months to April 2022. Businesses are now having to pass on increases to goods and services onto the consumer due to increases in fuel, transport and production costs. For households, increases to food, fuel and general costs of living are increasing and are anticipated to worsen in the autumn. The UK Energy Regulator, Ofgem has already indicated that the fuel cap is set to rise again from £1,971 to around £2,800 in October. The cost of living crisis is significantly impacting low and middle income families.

Welsh Government and Newport City Council Response.

The Welsh Government launched the [Claim What's Yours](#) campaign for households and individuals to access benefits to assist them with the help they need. Earlier this year, Welsh Government also announced a £150 cost of living payment on [Council Tax](#) costs for households living in bands A to D. Newport Council is encouraging as many households as possible to claim the payment. This also includes a discretionary element of £1.2m which the Council will design and implement over the same period. The unpaid carers financial support scheme is being administered by the Council enabling residents who look after someone for 35 hours or more and have low incomes to receive £500 payment. Further information can be found [here](#).

Additionally, the Welsh Government a further £15m is available in the form of a [Discretionary Assistance Fund](#) to provide financial support for individuals who are experiencing extreme financial pressures. The fund for additional support will be extended until the end of March 2023. For businesses, Newport Council announced it will be using its [discretionary powers](#) to support businesses in the city centre in addition to the rate relief from [Welsh Government](#).

Newport Council continues to support the city's food banks charities and groups. Earlier in the year £100k was allocated to support food banks and groups to access additional support. NCC is working in partnership with GAVO funding a fixed term Food Sustainability Co-ordinator to consider preventative work in relation to food poverty. The postholder will work closely with third sector partners and managing a grant programme which will further boost the capacity of food related projects.

The UK Government recently launched details on the Shared Prosperity Fund (SPF) that is replacing the EU funding that Wales received prior to leaving the EU. In Wales, the regional groups such as Cardiff Capital Region (CCR) Corporate Joint Committee) will be responsible for overseeing the delivery of SPF. Each local authority in CCR including Newport, will be developing local investment plans involving local and regional stakeholders to identify interventions that will support the delivery of local priorities across Newport.

EU / EAA Communities living in Newport and Wales

Newport Council recognises the contributions of all of our residents and are proud that Newport is a multi-cultural city with a rich, diverse heritage. All of our migrant communities continue to play a vital role in our economic and cultural growth. The latest [Home Office](#) statistics show that 5.8 million EU and EAA citizens have been granted settled and pre-settled status.

The council's Connected Communities team continue to support and signpost EU/EAA citizens and their family members to specialist support services that are able to make late applications to the EUSS, challenge negative decisions and provide advice around rights and entitlements. The team co-ordinate a weekly multi-agency drop in at Community House, Eton Road, and over the coming months plan to deliver Rights and Entitlements sessions to communities, using local schools as a base and develop an online information session for professionals.

Ukrainian Refugee Support

The ongoing conflict in Ukraine has caused the displacement of many tens of thousands of Ukrainian people from their homes. The UK Government has encouraged Ukrainian nationals to utilise the Family Visa Scheme which allows individuals to safely join family members or extend their stay in the UK. Newport has seen a rise in the number of families arriving in the city through this scheme. The Homes for Ukraine scheme will see further arrivals being placed in local homes as part of the UK Government's sponsorship scheme, whilst the Welsh Government are supporting around 1,000 refugees as a 'super sponsor' working alongside local authorities to place people around Wales.

As people from Ukraine arrive in Newport and Wales, we want to ensure that they are fully supported with a full-wrap around service that ensures their safety, sanctuary and access to services to support them. Welsh Government have announced they will be providing a £4m humanitarian aid to Ukraine, which will be donated to the Disaster Emergency Committee, which represents 15 major aid charities.

To date through the Homes for Ukraine scheme, 4,475 confirmed applications have been submitted with a sponsor in Wales. Of those 1,939 have confirmed applications have Welsh Government as super sponsor and 1,576 visas have also been issued where Welsh Government is the super sponsor. In total 1,428 people with sponsors in Wales have arrived in the UK. Through the Homes for Ukraine scheme, Newport currently has 80 approved visa applications issued with 52 active Ukrainian placements across 22 sponsors.

People arriving to the UK and Wales will be granted access to Universal Credit and jobs support immediately, however local authorities will play a vital role in supporting both new arrivals and hosts. The guidance set under the Homes for Ukraine Scheme places a range of expectations on local councils to complete DBS, property and safeguarding checks on host placements, administering the £350 'thank you' payment per month payment to hosts, £200 payment to each Ukrainian individual, integration support and in person visits to check suitability.

The council are pleased to be able to offer school places to Ukrainian children and young people through two Ukrainian Hub Schools, one secondary and one primary. This Hub provision will enable Ukrainian children, young people, and their families to come together, reducing pupils' feelings of isolation from other Ukrainian children and young people during a period of significant change. This will ensure pupils are quickly placed into a supportive school environment, where they can be expertly assisted to settle into their new life in Newport. Discretionary transport may be provided in line with the Council's Home to School Transport Policy.

The councils established Operational Response Group who meet on a weekly basis, co-ordinate Newport Council's approach to welcoming and supporting people arriving in Newport. This group is currently mapping capacity and potential demand across a range of key areas including social care, housing, education and integration support. The council is working closely with partners and other Gwent authorities to ensure a joined up, cohesive approach to Ukrainian resettlement, taking a regional approach wherever possible to maximise efficiency.

Financial Summary (Capital and Revenue)

As part of the Council's financial monitoring process, the Council's Finance team continue to work with managers to identify, monitor, and report any impacts on budgets due to Covid-19, the response to the Ukraine refugee crisis and Brexit.

Risks

The Council's Post EU Transition risk is recorded on the Council's Corporate Risk Register which is presented to Cabinet and Audit Committee every quarter. The Quarter four risk score is detailed below:

Risk Title / Description	Risk Impact score of Risk if it occurs* (1-5)	Risk Probability of risk	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for
---------------------------------	--	---------------------------------	---	---

		occurring (1-5)		dealing with the risk?
Post EU Transition	4	3	See Report.	Head of People, Policy and Transformation
Supporting Ukrainian refugees to settle in Newport.	4	2	See this Report on the Council's response to the Ukrainian refugee re-settlement programme.	Corporate Management Team.

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

Corporate Plan
Strategic Recovery Aims

Options Available and considered

1. To consider and note the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.
2. To request further information or reject the contents of the report

Preferred Option and Why

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

Comments of Chief Financial Officer

As commented in previous reports, the lasting financial impact of Brexit is still uncertain, however, there are emerging issues, as referenced in this report, which have the potential to impact upon both capital and revenue budgets. Whilst no significant financial impact has been explicitly reported to date, increased costs and delays to schemes have been identified as part of the Capital Programme, which are partly due to increased costs of materials and challenges with the availability of labour. Between now and the end of the financial year, any impacts, on the in-year revenue budget in particular, will need to be managed from within existing resources and budget contingency put in place, as reported in the February budget report to Cabinet.

Budget managers will be expected to continue to monitor the impact of leaving the EU and will need to work with Finance colleagues to escalate any material financial implications and report them where relevant. Any material impacts will need to be factored into medium term financial planning and the development of the new capital programme.

The report identifies some specific issues, and NCC responses, that will need monitoring for their potential impact such as the cost of living, cessation of EU funding and the Ukrainian refugee support.

Comments of Monitoring Officer

There are no specific legal issues arising from the report

Comments of Head of People, Policy and Transformation

The Council and its partners remain committed to support EU/EAA citizens as outlined in the Report. In addition, the Council's Gold team is providing strategic oversight and operational support to enable Ukrainian refugees to settle in Newport. Newport Council and its partners are taking necessary actions to identify the necessary resources for services to be able to effectively support refugees settling in the City and mitigating any impacts on existing services.

Scrutiny Committees

The Council's Audit Committee receives regular risk register updates on the Council's Risk Register which includes the Brexit Risk.

Fairness and Equality Impact Assessment:

Not applicable as this is an information only report

Wellbeing of Future Generations

There is potential long-term impacts of post EU and single market Trade Negotiations which could affect the future demand on our services to provide the necessary support, advice and guidance. There may also be opportunities that could arise, and the Council will need to prepare accordingly. In preparation we have been working collaboratively across the Council and with our partners to make sure that our services to prevent any scenario where services are disrupted and to provide resilience across the City and to our local partners.

We have also been involving our stakeholders and where necessary providing the necessary advice and guidance to those that need our support. We will continue to monitor and report where necessary any impacts which Brexit could have on the delivery of our services.

Consultation

Not Applicable

Background Papers

Welsh Government website '[Preparing Wales to leave the EU](#)'

Welsh Local Government Association '[Brexit Website](#)'

Newport City Council's '[Brexit Webpage](#)'

Dated: 6th June 2022

This page is intentionally left blank



Report

Cabinet

Part 1

Date: 16 June 2022

Subject Cabinet Work Programme

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

Author Governance Team Leader

Ward All Wards

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

The current work programme runs to May 2023, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Cabinet Office Manager brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

Proposal To agree the updated work programme for 2022/23

Action by Governance Team Leader

Timetable Immediate

This report was prepared after consultation with:

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

Background

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

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

The current work programme runs to May 2023, but it is a working document. It is important that the work programme is owned and prioritised by Cabinet Members directly, so each month the Cabinet Office Manager brings a report updating Cabinet on any changes, so that the revised programme can be formally approved.

The updated work programme is attached at Appendix 1.

Financial Summary

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

Risks

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

Links to Council Policies and Priorities

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

Options Available and considered

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

Preferred Option and Why

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

Comments of Chief Financial Officer

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

Comments of Monitoring Officer

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

Staffing Implications: Comments of Head of People and Business Change

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

Comments of Cabinet Member

The Chair has approved the report for consideration by cabinet.

Local issues

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

Scrutiny Committees

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

Equalities Impact Assessment and the Equalities Act 2010

This does not apply to this procedural report.

Children and Families (Wales) Measure

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

Wellbeing of Future Generations (Wales) Act 2015

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

Crime and Disorder Act 1998

This does not apply to this procedural report

Consultation

As set out above

Background Papers

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

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

Dated: 8 June 2022

This page is intentionally left blank

Cabinet

Work Programme: June 2022 to May 2023

Meeting	Agenda Items	Lead Officer
Cabinet 15/06/22	<ul style="list-style-type: none"> ▪ Corporate Risk Register Update (Q4) ▪ Local Area Energy Plan ▪ Information Station Project ▪ Levelling Up Fund ▪ Treasury Management Report ▪ Covid Update Report ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HPP&T ▪ HPP&T ▪ HRIH ▪ HRIH ▪ HoF ▪ CX/HPP&T ▪ CX/HPP&T ▪ GTL
Cabinet 13/07/21	<ul style="list-style-type: none"> ▪ 2020/21 Treasury Management Year End Report ▪ 2020/21 Revenue Budget Outturn ▪ 2020/21 Capital Outturn and Additions ▪ Responding to the New Normal Report ▪ MIM Strategic Partnership Agreement ▪ Shared Prosperity Fund ▪ RDLP – Vision, Issues and Objectives ▪ Welsh Language Annual Report ▪ Covid Update Report ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HoF ▪ HoF ▪ HP&BC ▪ HPP&T ▪ HRIH ▪ HRIH ▪ CEdO ▪ CX/HPP&T ▪ CX/HPP&T ▪ GTL
Council 19/07/21	<ul style="list-style-type: none"> ▪ Council Appointments ▪ 2021/22 Treasury Management Year End Report ▪ Welsh Language Annual Report ▪ Regional PSB Report ▪ PSPO: Dog Control ▪ Shared Prosperity Fund 	<ul style="list-style-type: none"> ▪ DSM ▪ HoF ▪ HPP&T ▪ HPP&T ▪ SD: ES ▪ HRIH
Cabinet 14/09/22	<ul style="list-style-type: none"> ▪ Revenue Budget Monitor ▪ Capital Budget Monitor ▪ Corporate Risk Register Update (Quarter 1) ▪ Annual Safeguarding Report ▪ Replacement LDP – Growth Options ▪ Covid Update Report ▪ Post EU Transition Report ▪ PSB Summary of Business ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HoF ▪ HP&BC ▪ SD: People ▪ HRIH ▪ CX/HP&BC ▪ CX/HP&BC ▪ HP&BC ▪ GTL
Council 27/09/22	<ul style="list-style-type: none"> ▪ Council Appointments ▪ Scrutiny Annual Report 	<ul style="list-style-type: none"> ▪ DSM ▪ HL&R
Cabinet 12/10/22	<ul style="list-style-type: none"> ▪ Corporate Plan Annual Report ▪ Strategic Equality Plan Annual Report 	<ul style="list-style-type: none"> ▪ HPP&T ▪ HPP&T

	<ul style="list-style-type: none"> ▪ Climate Change Plan Annual Report ▪ Covid Update Report ▪ Post EU Transition Report ▪ PSB Summary of Business ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HPP&T ▪ CX/HP&BC ▪ CX/HP&BC ▪ HP&BC ▪ GTL
Cabinet 16/11/22	<ul style="list-style-type: none"> ▪ Revenue Budget Monitor ▪ Capital Budget Monitor and Additions ▪ Annual Report on Compliments, Comments and Complaints Management 2021 ▪ Covid Update Report ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HoF ▪ Customer Services Mgr ▪ CX/HPP&T ▪ CX/HPP&T ▪ GTL
Council 22/11/22	<ul style="list-style-type: none"> ▪ Council Appointments ▪ City Centre PSPO ▪ Strategic Equality Plan Annual Report ▪ Climate Change Plan Annual Report ▪ Replacement LDP – Preferred Strategy ▪ Democratic Services Annual Report ▪ Standards Committee Annual Report 	<ul style="list-style-type: none"> ▪ DSM ▪ HL&R ▪ HPP&T ▪ HPP&T ▪ HRIH ▪ HL&S ▪ HL&S
Cabinet 12/12/22	<ul style="list-style-type: none"> ▪ Treasury Management Report ▪ Corporate Risk Register Update (Quarter 2) ▪ AW Certificate of Compliance ▪ Director of Social Services Annual Report ▪ Covid Update Report ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HP&BC ▪ HP&BC ▪ HP&BC ▪ CX/HP&BC ▪ CX/HP&BC ▪ GTL
Cabinet 11/01/23	<p><u>Budget:</u></p> <ul style="list-style-type: none"> ▪ 2022/23 Revenue Draft Budget and MTFP: Final Proposals ▪ Revenue Budget Monitor ▪ Capital Budget Monitor ▪ Welsh National TOMs for Social Value ▪ Mid-Year Performance Analysis 2021/22 ▪ Post EU Transition Report ▪ Covid Recovery ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HoF ▪ HoF ▪ HoF ▪ HP&BC ▪ CX/HP&BC ▪ CX/HP&BC ▪ GTL
Council 24/01/23	<ul style="list-style-type: none"> ▪ Council Appointments ▪ 2022/23 Treasury Management 6 monthly report ▪ Council Tax Reduction Scheme ▪ Director of Social Services Annual Report ▪ Schedule of Meetings 2023/24 ▪ Mayoral Nomination 2023/24 	<ul style="list-style-type: none"> ▪ DSM ▪ HoF ▪ HCS ▪ SD: People ▪ GTL ▪ GTL

Cabinet 15/02/23	<ul style="list-style-type: none"> ▪ 2023/24 Capital Strategy and Treasury Management Strategy ▪ 2023/24 Revenue Final Budget and MTFP: Final Proposals ▪ Verified Key Stage 4 and 5 Pupil Outcomes ▪ 21st Century Schools ▪ Western Gateway ▪ Covid Recovery Update ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HoF ▪ HoF ▪ CEdO ▪ CEdO ▪ HRIH ▪ CX/HP&BC ▪ CX/HP&BC ▪ GTL
Cabinet 15/03/23	<ul style="list-style-type: none"> ▪ EAS Business Plan 2021/22 ▪ Corporate Risk Register Update (Quarter 3) ▪ Pay and Reward Statement 2023/24 ▪ Covid Recovery Update ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ CEdO ▪ HPP&T ▪ HPP&T ▪ CX/HPP&T ▪ CX/HPP&T ▪ GTL
Council 21/03/23	<u>Budget:</u> <ul style="list-style-type: none"> ▪ Council Appointments ▪ 2023/24 Council Tax and Budget ▪ 2023/24 Capital Strategy and Treasury Management Strategy ▪ National Non-Domestic Rates: Discretionary Relief: High Street Relief Scheme 2023/24 	<ul style="list-style-type: none"> ▪ DSM ▪ HoF ▪ HoF ▪ HoF
Cabinet 12/04/23	<ul style="list-style-type: none"> ▪ Annual Corporate Safeguarding Report ▪ Covid Recovery Update ▪ Post EU Transition Report ▪ PSB Summary Document (for information/ awareness) ▪ Work Programme 	<ul style="list-style-type: none"> ▪ HC&YPS ▪ CX/HP&BC ▪ CX/HP&BC ▪ HP&BC ▪ GTL
Council 25/04/23	<ul style="list-style-type: none"> ▪ Council Appointments ▪ Pay and Reward Statement 	<ul style="list-style-type: none"> ▪ DSM ▪ HPP&T
Cabinet 10/05/23	<ul style="list-style-type: none"> ▪ Covid Recovery Update ▪ Post EU Transition Report ▪ Work Programme 	<ul style="list-style-type: none"> ▪ CX/HP&BC ▪ CX/HP&BC ▪ GTL
Council 17/05/22	<u>AGM:</u> <ul style="list-style-type: none"> ▪ Council Appointments 	<ul style="list-style-type: none"> ▪ DSM

This page is intentionally left blank