

**Newport City Council
Budget Consultation 2019-20**

**Response from the
Newport Fairness Commission
January 2019**

NB: The role of the Newport Fairness Commission is to facilitate critical reflection on policy, rather than to recommend policy. It is essential that no aspect of the following report be used to endorse or support any particular course of action undertaken by Newport City Council.

Executive summary

- **Questions of fairness continue to be accentuated in the ongoing climate of reduced local authority budgets.**
- The Fairness Commission (FC)'s **fundamental principle and four parameters of fairness** remain a useful practical framework through which to gauge issues at stake, and to weigh up alternative ways of tackling them.
- Overall, there is evidence that Council's 2019-20 budget proposals recognize the priority of **meeting the needs of the most vulnerable and disadvantaged** – although this aim is harder to realise in the case of some proposals than others.
- There is also clear evidence of **constructive and creative thinking** on the part of Council about how best to meet the challenge of reduced budgets.
- Six areas of particular concern:
 1. The **depletion of the public realm** by aggregated cuts over successive budgets.
 2. The knock-on effects of savings in key areas on **other services in 2019-20**.
 3. The knock-on effects of savings in 2019-20 for **services in future years**.
 4. The potentially corrosive future effects of reduced services for **particular individuals**, especially young people.
 5. The relationship between the proposed savings and Council's commitment to the goals of the **Well-Being of Future Generations Act (Wales) 2015**.
 6. Difficulties in gaining a **full perspective** – on the part of FC members, Councillors and Council Officers – of the background factors and decisions shaping these proposals, and the full range of their implications.

1. Note on the devising of this response

Once again, we very much welcome the invitation from Council to contribute to the annual consultation on its budget proposals. This Response, our seventh, is the result of an iterative process, more extended than in previous years. On 7 November 2018 the Newport Fairness Commission invited James Harris (Strategic Director, People) to outline the priorities informing the shaping of the upcoming budget from a Newport City Council perspective. The Commission then met on 19 December to reflect on the proposed budget savings being put forward for public consultation. Further discussion in person and by correspondence in early January 2019 led to a first draft of the current document. This was then opened up for further discussion and amendment, informed also by a workshop with Newport Youth Council held on 22 January. While the Commission takes full responsibility for the text which follows, we are very grateful for the enthusiasm and insightfulness with which Youth Council members fed through their views – which have helped shape the document at several points.

This longer and more deliberative process has we believe produced a wider, deeper perspective on different implications of the proposals, and highlighted issues which Commission members would not otherwise have reflected on. We will seek to develop the process further in future years – and in particular, to meet with different community groups in ways which help broaden further the range of points of view incorporated in our response.

It is important to note that the Fairness Commission (FC) is not an elected body, nor a special interest group. And while we are diverse in many ways, neither does the FC represent any kind of perfect cross-section of the Newport community. Our role is not to lobby, or to make specific policy recommendations. Rather the aim of this Response, as with our other work, is to provide tools with which to tackle challenges and devise priorities – to think in fresh and critical ways about the implications of Council decision-making, and to foster public debate which takes fairness, equality and well-being seriously.

Key points

- *We are seeking to generate the FC response to the budget consultation in more extended and inclusive ways.*
- *As always, we do not make policy recommendations, in this Response, but aim instead to provide tools for thinking critically about fairness, and to encourage conversation about fairness in Newport.*

2. Context

Council budgets and services continue to be fundamentally shaped by the ongoing effects of austerity measures instigated since 2010. Reduced budgets accentuate questions of fairness, and may heighten grievances around unfairness held by particular sections of the community. The toll of diminishing resources will be felt by individuals, but also in terms of community relations and the health of the public realm in the widest sense (see below). The stakes of a consultation on budget proposals are raised in such circumstances – and it becomes especially crucial that it is conducted in a transparent, open, inclusive and meaningful way.

Clearly, there is no guarantee that even after such consultation a budget will be fair, or that the effects of council savings will fall in a fair way. Our fundamental guiding principle (see next section) is that Council should prioritise the needs of the most vulnerable and disadvantaged. As recognized consistently over previous responses to Council budget proposals, it is possible that even this base-level aim becomes unrealizable, given the need for budget savings. The needs of the vulnerable will effectively be traded off against each other. Who counts as the most vulnerable may have to be revised, and the number of people included reduced, in order to carry on meeting their needs. Thus those with ‘severe needs’ will find themselves placed further down the priority list than those with ‘very severe needs’ – in such a way that some severe needs are not met. Such judgements are both difficult and demoralizing to make. There will be clear human costs in such an environment. Some will be made more vulnerable and disadvantaged as a result. Gains in one service may be undermined for some groups by the effects of the shrinking of provision elsewhere.

We recognize the good faith with which Council has attempted to navigate this difficult terrain. Through its setting out of options, and the use of Fairness and Equality Impact Assessments, we see a clear attempt to make the best of straightened circumstances, and to weigh the potential effects of the different options. We also recognize the strain this will impose on Council officers, and the importance of encouraging open deliberation across different departments so as to make these decisions concerted, support those making them, and maximise the potential for a holistic and transparent assessment of the implications of decisions across the board. For example, there seems clear value in passing proposals around so that each department can comment on them from its own point of view, and so feed into an overall shared picture. Similarly, using ‘issues mapping’ or other relatively simple strategies for developing a sense of how Council departments view their priorities, may help highlight different priorities in ways which help develop a joined-up and realistic sense of what is at stake.

The value of this is highlighted by the potential for tensions between different areas of the Council’s work. Newport’s Well-Being Assessments have highlighted the significance of longer-term thinking about the impacts of current decisions, particularly with regard to the requirements of the Well-Being of Future Generations (Wales) Act 2015. The Act puts into sharp focus the extent to which savings made now may exacerbate problems and challenges to well-being in the future, and ‘kick the can down the road’ in terms of confronting the longer-term costs of present decisions. A particularly pressing example of this is the stress in the Act on the value of preventative solutions as opposed to reactive ones. The Public Services Board (One Newport) has a particularly vital role to play in providing strategic direction, facilitating ‘thinking outside the box’, and generally helping to join up relevant aspects of policy and practice within the city.

Key points

- *Austerity remains vital to the understanding of budget decisions and their implications, and makes questions about fairness more pressing, and more difficult.*
- *Prioritising the needs of the most vulnerable/disadvantaged is difficult to achieve in a consistent way.*

- *A joined-up approach across different Council departments, so that different teams can see how things look from the point of view of others, seems vital to the reaching of a full and rounded understanding of what is at stake in budget decisions.*
- *Budget savings may be at odds with the stress on preventative work in the Well-Being of Future Generations (Wales) Act 2015.*

3. The fundamental principle and four parameters of fairness

The Commission's reflections are underpinned by a **fundamental principle**:

Council should attend to the needs of the most vulnerable and disadvantaged across the city as a first priority.

Beyond this, the Commission has identified four 'parameters of fairness', which serve as a framework through which to analyse Council policies, and the debates to which they give rise:

Parameter 1: Equal treatment while recognizing difference

Key factors at stake: When is it fair to treat people the same, and when is it fair to treat them differently? Which groups have priority in Newport, and why? If trade-offs or compromises are to be made between different groups' interests, how should these be achieved?

Parameter 2: Mutual obligations between citizens and local government

Key factors at stake: What is the responsibility of local government to meet certain needs, and what conditions should apply to citizens, if any? Which needs should be met through universal provision (for all citizens) and which should be met, in part or wholly, by citizens themselves?

Parameter 3: Interdependency and reciprocity within community relations

Key factors at stake: What is the value of participation in community life? How are citizens enabled to positively participate in the life of the community? Are those opportunities to participate available to all?

Parameter 4: Transparency and accountability in decision-making

Key factors at stake: How does Council ensure that the procedures for decision-making are fair, consistent and transparent? How does Council convey effectively to citizens its main considerations and decisions? How are meaningful, two-way channels of communication facilitated between Council and citizens?

4. Specific proposals

In this section we highlight specific questions arising from our assessment of each of the six proposed budget savings.

Proposal		Questions	Most relevant parameters
1	Education (Central staffing)	<ul style="list-style-type: none"> • How will the work previously done by the 4 EWOs and 1 Educational Psychologist now be covered, in ways which address the well-being of pupils affected? • To what extent have longer-term risks to pupils' welfare been taken into consideration in proposing the removal of those 5 staff, in particular? • Will the staff losses undermine Council's commitments to improve attendance levels? • Will there be knock-on effects on general teaching/welfare standards as schools redirect staff resources to fill these gaps? • Will the changes required by the Donaldson Review have a bearing on how pupils' well-being is catered for in the absence of these posts? 	Fundamental principle 1, 2
2	City Services (Waste Special Collections)	<ul style="list-style-type: none"> • Is there a possibility that higher charges may lead to higher fly-tipping? • As the charges are not means-tested, can steps be taken to ensure that they do not hit the worst-off disproportionately? 	Fundamental principle 2, 3
3	City Services (Parking Charges)	<ul style="list-style-type: none"> • Given that the costs of car use are borne by everyone (including non-car users, and people living in all parts of the city) but the benefits accrue only to some, might parking costs be shared more equitably across all areas of the city? • Because revenue gained this way must be spent in the same area of the budget, the fairness of this charge depends partly on what it is used for – so e.g. increasing the amount of dropped kerbs and ramps would be a redirection of resources towards the least advantaged in terms of mobility, participation and use of services. Has this been considered? 	Fundamental principle 1, 3, 4
4	City Services (Customer Services Operating Hours)	<ul style="list-style-type: none"> • People without digital skills seem likely to be most affected by a reduction in in-person operating hours. How might this be addressed? • Will some dates (e.g. for paying bills) when attendance at the Information Station is required sometimes fall on a Wednesday – and if so, could such deadlines be rearranged so as not to disadvantage those affected? • Is there scope to make more use of the Civic Centre (which is open anyway) in ways which aids communication with the community, and involvement with the Council's work and discussions? • Why not shift some provision to the weekend, so these services can be accessed in person by those unable to on weekdays? 	Fundamental principle 1, 2, 3, 4
5	People & Business Change (Voluntary Sector Grants)	<ul style="list-style-type: none"> • Has the winding-up of SEWREC been taken into account when considering how any services lost will now be tackled? Will any of those services now 'go missing'? • It seems likely that some groups will be more adversely affected than others by any reduction in services. Will this be taken into consideration? • What evidence is there as to how fair the current operation of the services in question is – such that e.g. a fresh tendered 	Fundamental principle 1, 2, 3

		contract offers as fair a balance as possible?	
6	Non-Service (Council Tax increase)	<ul style="list-style-type: none"> • What steps will be taken to provide a full and rounded explanation of the need for the increase, in ways which citizens can appreciate? • The council tax is highly erratic in terms of people’s ability to pay, partly because of outdated property valuations. How can spending compensate for this? • How can increased tax revenue be used to <i>create</i> income and invest in future well-being, as well as to plug holes? 	Fundamental principle 1, 2, 4

5. Cross-cutting concerns

We close our response by outlining three concerns which we see as cutting across the different issues and questions covered here. We have given examples of how each concern links up with different proposed budget savings. And we have attached a question to each one, to help summarise why it matters from the point of view of fairness, and frame how Council might address the concern.

- **The depletion of the public realm.** The ‘public realm’ refers both to the resources we share as a community, and the spirit of community relationships – it is partly material, and partly to do with perceptions and values. It is not a single, simple thing, but a complex fabric. It is embodied in everything from the state of public facilities, to crime rates, to levels of civic pride, to trust in politicians, right down to people’s everyday engagement with each other in the street. By definition, changes in the state of the public realm affect all who live in a community, though in different ways and to different degrees. That fabric is clearly under strain, across the UK – and in all countries still dealing with the aftermath of the 2008 financial crisis. A frayed fabric makes building a fairer community more difficult. The budget proposals should be looked at not just in terms of how they affect a particular group of people, or one parameter of fairness – but the whole set of parameters, and the public realm itself.

Examples. All parts of the budget affect the public realm. But of the six proposed budget savings, numbers 2 (Waste Special Collections), 3 (Parking Charges) and 5 (Voluntary Sector Grants) are especially significant here. Each may have direct effects on how the public realm is experienced by people at large (residents and visitors) and particular groups – for example, those who live in particular parts of town, business owners, the users of services provided by the voluntary sector, and so on. Our view is that at this stage of austerity, consideration of the impact on the public realm becomes especially vital.

- **How, in its budget decision-making, can Newport City Council work to protect and feed the public realm?**
- **Corrosive disadvantages.** This term is used to capture how some disadvantages which people experience have negative impacts which extend far beyond the immediate factors involved. So for example, a child who loses access to an Educational Welfare Officer will lose day-to-day contact, and may feel the lack of

that. But the longer-term effects of this may be to increase the likelihood that their current disadvantages will feed into other kinds of threats to their life chances – an increased likelihood of offending, for example, or of the probability that adverse childhood experiences will affect their well-being in later stages of life.

Examples. Number 1 (Central Education Staffing) is especially strongly linked to this area of concern. We know that adverse childhood experiences will have long-term effects on life chances, and that education services are a crucial means for compensating against such disadvantages at particularly vital stages in the life course. Thus savings made may risk being counter-productive both in terms of the future well-being of those affected, but also in cost terms (as the public costs of not addressing well-being issues in the early stages can be very high). But 4 (Customer Services Operating Hours) has the potential to change how different people's needs are addressed, and 6 (Council Tax increase) clearly has a direct bearing on how investment made now may either enhance or diminish well-being in the future for particular citizens.

- **Are there steps that Newport City Council can take to ensure that the effects of corrosive disadvantages are minimized, and that no such disadvantages are actively brought into being by budget decisions?**
- **Budgeting for the future.** We know that the effects of austerity will last several more years – and well into the 2020s. We know also that because of the Well-Being of Future Generations Act, public bodies should be thinking more creatively and concertedly about how decisions they make now will affect well-being in future decades. But Council budgeting is still done on an annual cycle, and often dominated by short-term imperatives. This does not square with the aims of the Act, or with the idea of being fair to future generations.

Examples. Again, all aspects of spending are potentially relevant here. But numbers 2 (Waste Special Collections) and 3 (Parking Charges) and are very saliently connected to questions of our relationship to the environment, and sustainable solutions to ongoing questions about the balance between the interests of (e.g.) car-users and pedestrians, business and the wider community, and current and future generations. And again, 5 (Voluntary Sector Grants) has particular relevance here, given the ways in which the organisations concerned contribute to the development of a joined-up approach to long-term well-being, via the Public Services Board and otherwise.

- **How can Newport City Council budget from the point of view of fairness to the citizens of 2030, 2050 and 2100, as well as 2020?**