

Report

Council



Part 1

Date: 26 February 2019

Subject 2019/20 Budget and Medium Term Financial Projections

Purpose To agree the council's council tax increase for 2019/20 and resulting total net revenue budget as recommended by Cabinet on 13 February 2019 plus the resulting council tax resolution for 2019/20.

Author Head of Finance

Ward General

Summary Following recommendation by Cabinet, the Council needs to make decisions on the level of council tax and the resulting total net revenue budget for 2019/20.

Cabinet met on the 13 February 2019 and finalised detailed budget recommendations. This report sets out the overall 2019/20 budget, resulting service cash limits, council tax increase and recommendations for the council's general reserve and contingencies. An increase in council tax of 5.95% (£1,120.04 per annum at Band D) for Newport City Council is recommended. A 5.95% increase on council tax is an increase of £0.94 per week, £1.08 per week and a £1.21 per week increases for band B, C and D properties respectively.

The Cabinet have built on the medium term financial projections (MTFP) approved last February and approved further savings to meet the increased financial challenges facing the council. The medium term projections are included within appendix 4.

Cabinet has a new Corporate Plan and the medium term financial projections include the funding required to deliver the ambitious plan and aspirations within that. Furthermore, Cabinet has taken a strategic and medium term view when agreeing all investment and saving proposals over the life of the MTFP.

Section:

- 1 Background
- 2 Setting the budget
- 3 Budget consultation
- 4 Welsh Government funding and council tax base
- 5 Medium term financial projections (MTFP)
- 6 2019/20 budget requirement
- 7 Risk, reserves, financial resilience and performance
- 8 2019/20 proposed council tax

Appendix:

- | | |
|------------|--------------------------|
| Appendix 1 | Service area budgets |
| Appendix 2 | Precepts and council tax |
| Appendix 3 | Council tax resolution |

- Appendix 4 Medium term financial projections (MTFP)
- Appendix 5 Financial resilience snapshot
- Appendix 5a Projected earmarked reserves

Proposal Council is asked:

Revenue budget and council tax 19/20 (section 2-8)

- 1 To note that an extensive consultation exercise has been completed on the medium term change/ savings programme, including the 2019/20 budget proposals. Cabinet have taken these into account in recommending final details of their budget
- 2 To note the Head of Finance's recommendations that minimum general reserve balances be maintained at £6.5million, the confirmation of the robustness of the overall budget underlying the proposals, subject to the key issues highlighted in section 5, and the adequacy of the general reserves in the context of other earmarked reserves and a general revenue budget contingency of c£1.5million
- 3 To consider and approve a council tax increase for Newport City Council of 5.95%, a Band D tax of £1,120.04; and resulting overall revenue budget shown in appendix 1
- 4 To approve the formal council tax resolution, included in appendix 3 which incorporates The Police and Crime Commissioner for Gwent and Community Council precepts

Medium term financial projections (section 5)

- 5 To note the MTFP and the challenging financial climate over the medium term
- 6 To note Cabinets approval of the implementation of the full four-year change programme, including all budget investments and saving options, as summarised within the medium term financial projections (appendix 4). Noting they are subject to on-going review and updating

Action by Head of Finance – 2019/20 council tax billing and detailed budgets to be prepared in line with recommendation.

Timetable Immediate

This report was prepared after consultation with:

- Chief Executive
- Strategic Directors
- Head of Law and Regulation
- Head of People & Business Change

Signed

1 Background

1.1 Our Corporate Plan for 2017 – 2022 – “Building on Success: Building a Better Newport” sets out the key priorities which underpin the budget proposals outlined in the February Cabinet report.

The Council has a clear mission statement – “Improving People’s Lives”, which is aligned to the aspirations set out in the Well Being of Future Generations Act. The plan outlines how we will put this mission into practise, through the well- being objectives which have been adopted:

- Improve skills, educational outcomes and employment opportunities
- Promote economic growth and regeneration whilst protecting the environment
- Enable people to be healthy, independent and resilient
- Build cohesive and sustainable communities

1.2 Every day this mission is executed through around 800 discrete activities in various service delivery methods, ranging from services the council delivers to services delivered in partnerships with a number of other organisations.

1.3 The Council provides over 800 services, for over 147,800 people, living in over 65,000 households. Newport’s population is growing, with the largest growth for children under five, and people aged over 65. The Council also provides employment for over 6,000 people.

1.4 In organisational terms we have distilled these activities into four themes:

1. Resilient Communities
2. Thriving City
3. Aspirational People
4. Modernised Council

1.5 Local Government continues to be under significant financial pressure and the proposed budget needs to be seen in this context. The table below sets out the overall projected expenditure for 2019/20 compared to the original budget set for 2018/19.

Table 1: 2019/20 proposed budget

	2019/2020 £'000
Original budget 2018/19:	274,596
Pressures	13,656
Council tax reduction scheme	892
Reserve transfers	300
Savings	(6,803)
Specific grants	(2,030)
Proposed budget 2019/20	280,611

2 Setting the budget

2.1 There are two main elements to the council’s financial planning:

- strategic planning: medium term financial projections (MTFP)
- within that, the annual council budget.

2.2 The Council is required by law to set a balanced budget every year. At the same time, the MTFP is reviewed and updated to help plan savings and investments across the next four years. A key part of the review is to ensure that key priorities are included, including those contained in the Corporate Plan.

- 2.3 As is well documented within the February Cabinet report, the Council continues to be under significant pressure from increasing demand for essential services and lower funding. As a growing City, Newport also has to deal with pressures coming out this growth and the increasing demand and costs that come with that. Therefore, further savings have been required to meet the gap between the funding received through grants/ council tax collection and expenditure on the wide variety of services provided.
- 2.4 The budget has been developed over a number of months starting with a review of existing investments and savings previously agreed, delivery of savings and consideration given to the need for new investment and growth. The priorities of the Corporate Plan and other commitments featured in this review are contained in the MTFP. Cash limits were agreed for service areas and budget proposals developed which were reviewed in detail with Cabinet.
- 2.5 Whilst Cabinet are responsible for the detailed spending plans the council tax level underpinning the budget is approved by Council. The proposed budget is included within appendix 1 and is based on detailed proposals reported to Cabinet on 13 February 2019 and shared with Members via the councils Scrutiny Committees in January 2019. The detailed proposals can be found appended to the Cabinet agenda [Budget investments](#) (weblink) and [Budget savings](#)(weblink).
- 2.6 Council should note that Cabinet continues to take a strategic and medium term view and approve the implementation of the council's four-year change/ savings programme, including all budget investments and saving options as summarised within the MTFP. The priorities of the Corporate Plan are, where needed, contained in the MTFP. Noting that these plans and the key assumptions contained within them are subject to ongoing review and updating.
- 2.7 A key part in considering and agreeing the annual budget and MTFP are the financial resilience issues and how the budget deals with improvement plans and risks. These were considered in detail by Cabinet on 13 February and are outlined below in this report for Council.

3 Budget consultation

- 3.1 The budget proposals agreed by Cabinet in December have been widely consulted on through a range of stakeholder groups and formats which are as follows (reports, conclusions and responses can be found in the February Cabinet report):
- With Trade Unions via the Employee Partnership Forum on 10 January 2019
 - With all Scrutiny Committees in their January 2019 meetings where Members discussed the detailed change/ saving proposals plus the MTFP
 - With the Schools' Forum on 23 January 2019
 - With the public from 13 December 2018 to 30 January 2019
 - Newport Fairness Commission has reviewed the proposals in terms of their parameters of fairness.

In summary, there was a general acknowledgement of the financial pressures facing the Council and the majority of the budget proposals consulted upon were supported including the council tax level of 6.95% which was supported by those using the public Wi-Fi on Newport buses – only 27% of the 3,968 respondents felt that the proposed increase in council tax was too much. Cabinet have noted all of the consultation responses and changes made during the February Cabinet meeting have been noted in paragraph 6.1.

Equalities Impact Assessments (EIA)

- 3.2 In delivering its services, the Council has been mindful of its duties to discharge its statutory obligations for Equal Pay, Disability Discrimination Act (DDA) and other equalities legislation including The Race Relations (Amendment) Act 2000 and the Equality Act 2006.

- 3.3 As part of the budget process, equalities implications are considered for all budget proposals and an EIA is carried out where required by the relevant service manager, supported by the council's policy team.

4 Welsh Government funding and council tax base

- 4.1 The Council received its final [RSG settlement from Welsh Government](#) (WG) (web link) on 19 December 2018 and overall this confirmed that the council would receive £214,343k for 2019/20. This, together with a 1.2% increase in the tax base for 2019/20 meant that the Council's funding increased by £2.3m in cash terms compared to current years funding. With the proposed 5.95% increase in council tax which provides a further £2.8m, this represents an overall net budget for 2019/20 of £280,611k which is funded from £214,343k (76%) WG revenue support grant and £66,268k (24%) council tax income.
- 4.2 Council should note the inherent uncertainty and risk associated with future funding assumptions and that Welsh Local Government Association (WLGA) and others continue to push for medium term settlements or indicative future funding. Whilst not ideal or helpful, it does not necessarily prohibit medium term planning.
- 4.3 Although councils have until the 11 March each year to set council tax, in practical terms, to delay beyond this meeting date would cause delays to billing and collection of council tax. This would have a significant adverse impact on the council's cash flow.

5 Medium term financial projections

- 5.1 The MTFP is shown in appendix 4 and is the articulation of the financial challenges, the current organisational change programmes and savings over the next four years and costs, where appropriate, of implementing the Councils priorities within the Corporate Plan. It includes those service changes/ savings which have already been approved for these years from the February 2018 Cabinet meeting as well as new proposals. Whilst the Council is required to set a balanced budget for 2019/20, this is to the backdrop of sustaining over £45m of savings over the last five years, future uncertainties such as the impact of future pay awards, public sector pension valuations, increases to teachers' pension, WG financial settlements and Brexit. The current projections, therefore, will inevitably develop and change as assumptions are updated or confirmed for future years.
- 5.2 As set out in the February Cabinet report, whilst the 2019/20 budget has benefitted from additional grant funding from WG these grants have not been confirmed beyond next year and whilst it is hoped that this funding will be continued it does pose a risk to the financial position of the Council in 2020/21 and beyond. The MTFP makes the assumption at this point that this funding will continue and will need reviewing as further information becomes available.
- 5.3 In addition, the funding of the teachers' pension increase, that will cost around £2m for 2019/20, is yet to be confirmed, as is that of the South Wales fire & rescue service staff that will cost this Council c£300k. These represent risks to the 2019/20 budget and are covered in the Head of Finance's commentary on financial risk below. In saying this, based on communication received to date it is assumed that these will be funded by WG through a one-off grant and confirmed as such in due course. Funding for these beyond 2019/20 will be included within the 2019 Comprehensive Spending Review and as such, represent a potential risk for 2020/21. The MTFP makes the assumption at this point that this cost pressure will be funded permanently from 2020/21 and will need reviewing as further information becomes available.
- 5.4 A key issue for the Councils medium term projections is the future funding levels for Local Government. There is uncertainty on the continuation of the additional funding allocated to Local Government for 2019/20 as noted above and in 2019, the UK Chancellor will set out a five-year path for departmental spending through the comprehensive spending review (CSR). This is likely

to have a significant impact on future funding levels in particular in respect of the balance of spending between the NHS and other parts of the public sector.

- 5.5 Given the above, the Council's future plans and its change/ savings programme will need to ensure a strategic approach is taken on the future direction of Council services. This means that it will need to meet the medium term financial sustainability challenge, continue to meet key priorities set out in the Corporate Plan and our duties under the Well-Being of Future Generations Act.

6 2019/20 budget requirement

- 6.1 Funding levels for service areas, based on the final proposals, are shown in appendix 1 with the detailed budget investments / pressures and savings shown in the [February Cabinet report](#) (weblink). These funding levels include investment decisions that were taken at the February Cabinet meeting, details of which are set out below:

- Reduce council tax from 6.95% increase to 5.95% - £500k
- Reduce the Education Welfare and Psychology element of saving EDU1920/01 - £155k
- Cabinet also took decision to extend the withdrawal period for the education SenCom proposal and delay implementation of the residents parking permit fee increase. Both of these will have no net impact on the 2019/20 budget, as they can be temporarily covered from in year.

- 6.2 Proposals for 2019/20 include over £9m of budget investments / pressures over and above the costs of inflation. The most significant areas of additional expenditure are linked to:

- £3,898k for increasing demand in social care demand for both children and adult services
- £3,568k investment in school budgets
- £1,664k due to increasing demand for SEN provision
- £525k costs associated with increasing pressures placed on the City as a result of growth and development
- £276k due to transfers into the revenue support grant (RSG) in respect of free school meals
- £220k investment to deliver the promises set out within the Corporate Plan.

- 6.3 There has been over £38m of service area investments between 2013/14 and 2018/19 over and above inflation. This has been incorporated into budget planning and investment allocated to services to ensure that the best possible services are provided to the people of Newport.

- 6.4 In addition to this base budget investment, significant specific grants are received from WG each year and at this time we still await the finer details of funding levels for 2019/20. It is proposed, in line with the Council's current working policy, that service areas deal with these matters with Cabinet Members in terms of identifying issues as they become aware of them and developing necessary solutions to resolve them. This may involve reducing/ stopping services that WG specific grants no longer fund.

7 Risk, reserves, financial resilience and performance

Financial risks

- 7.1 The proposed budget incorporates a number of assumptions in terms of levels of income and expenditure in future years. There are, therefore, inevitably a number of financial risks inherent in the proposed budget. This was described in detail to Cabinet when finalising budget proposals. Key risks include;

- Continuation of demand and resulting cost pressures in the future, including the significant budget challenge for schools
- Delivery of savings

- Inflationary pressures on the budget
- Financial risks and issues requiring one –off resources

Reserves

- 7.2 The rule of thumb for the level of general reserves is 5% of net revenue budget (excluding schools). Whilst this would suggest a general reserve of £9.2m for 2019/20, the Head of Finance recommends that the general reserve remains at £6.5m. The Head of Finance is content that this along with the specific reserves/ provisions and the base budget contingency of £1.5m covers the specific risks that currently face the Authority.
- 7.3 A cautionary note should be made on school's reserves which have been decreasing over the last two years. Overspending on current budgets means that the forecast level of reserves for 2019/20 do not allow for the same level of overspending and schools must make savings in 2019/20 to ensure that they manage within approved funding levels.
- 7.4 The funding of the increased teachers' and firefighters pension costs is also a concern. The increase teacher's pension cost is expected to be in the region of £2m for 2019/20 and c£300k for firefighters. We are still expecting WG/ National Government to confirm funding for these, though until that happens, it remains a potential risk. These risks are covered via the £1.5m contingency in the revenue budget plus a similar amount in the Council's 'pay reserve' - more than enough to cover these off in the worst case scenario.
- 7.5 The base general budget contingency, alongside the level of recommended general and earmarked reserves reflect the overall potential financial risk associated with delivering the budget in 2019/20. These provide sufficient capacity to cover financial risks. Once schools have taken the necessary action to reduce their cost base, the Head of Finance, as part of his S151 responsibilities, is content that the 2019/20 overall budget as proposed is robust.

Financial resilience

- 7.6 A robust view is being taken in managing budget risks and protecting the financial health of the Council. In that respect, the Council's financial resilience is a key consideration and appendix 5 shows the current 'snapshot' of the key data and information showing an overview of the 'financial health' of the Council at this time. Key headlines include:
- The Council maintains a good level of reserves. A cautionary note should be made in respect of the decline in school reserves over the last few years
 - The Council continues to monitor £8.6m of budget reductions in 2018/19. This is alongside delivering outturn within budget over recent years, despite the delivery of c£45m of savings over the last 5 years
 - In light of continuing financial pressures and demands placed on the Council further savings of at least £28m need to be found by 2022/23, based on current assumptions around the continuation of future grant funding.
- 7.7 The impact of these challenges are reviewed as part of the financial monitoring process and through the corporate risk register both of which are reported regularly to the Cabinet, Senior Leadership Team and the Council's Audit Committee.

8 2019/20 proposed council tax

- 8.1 Newport currently has the second lowest council tax in Wales, amongst the lowest in the UK and spends significantly lower than its standard spending assessment (SSA) compared with other Local Authorities. Whilst changes in council tax levels are usually noted in percentage terms, the cash increase this delivers in Newport will be smaller relative to other Local Authorities as our starting position is lower.
- 8.2 The proposed council tax increase of 5.95% is above the base assumptions of 4% made in future

years. This additional 1.95% on the tax base that has been set adds around £1m to the councils overall funding. This is required as investment within services experiencing increased demands and costs continue on an upwards trajectory and the Council has an obligation to ensure our most vulnerable are protected.

- 8.3 Cabinet have recommended 5.95% council tax increase to Council. This would result in a band D Council tax of £1,120.04 which is an increase of £1.21 per week for Band D properties. In the context of the significant budget pressures and investment in services, with only 2% increase in funding for 2019/20 Cabinet are mindful to make savings and increase funding from council tax. The key consideration for the Cabinet has been to ensure that the correct balance has been found between both. The budget includes almost £7m of savings and £3.6m from extra income from council tax. Newport's council tax is currently the second cheapest in Wales and spends £7.4m less than SSA which is completely down to the low council tax.
- 8.4 The Council is investing £3.9m in social care and £3.6m in schools. The additional council tax increase of 1.95% over and above the assumed base increase of 4% each year generates around £1m. Therefore, Cabinet are mindful that this increase in council tax is a valuable contribution to protect the services that the Council delivers.
- 8.5 Based on the recommended 5.95% council tax and changes to the draft budget outlined in 6.1 above, the table below illustrates the net budget and funding which Cabinet considered at its meeting on 13 February 2019.

Table 2: 2019/20 available and required budget

The table below shows the net budget and funding with a 5.95% increase in council tax. In setting council tax, the Council needs to be aware of the requirement to set a balanced budget.	5.95% Increase
Council Tax at Band D at 5.95%	£1,120.04
Budget requirement	£'000
Base Budget 2018/19	274,596
Inflation & Increments	4,394
Transfer to reserves	300
BASE BUDGET 2019/20 (before investments/savings)	279,290
Budget investments – (£9,564 shown in list of pressures plus increase in CTRS based on 5.95% council tax increase)	10,154
Budget savings	(6,803)
Specific grants	(2,030)
DRAFT BASE BUDGET 2019/20	280,611
Funding available	
Final WG Settlement	214,343
Current council tax at new tax base	62,546
Increased council tax @ 5.95%	3,722
Total	280,611
Balance	-

- 8.6 The final budgets, as detailed in appendix 1, incorporate the above recommendations. In finalising the budgets from the draft, which were consulted upon, Cabinet were aware of the key messages/ concerns/ support coming out of the consultation.

8.7 The Cabinet was also mindful of the need to balance the interests of service users with tax payers given the current economic climate and in addition, noted that the council tax, even with the increase recommended, would still be low in comparison to other Welsh Authorities.

Community / Police precepts and Council Tax calculation

8.8 The council tax calculation includes precept figures from The Police and Crime Commissioner for Gwent and precept figures from Community Councils within the City as well as the City council's own budget. These are shown in appendix 2. The resulting council tax resolution is set out in appendix 3. These are based on the budget proposals agreed by Cabinet on 13 February 2019.

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?
Budget savings not delivered	H	L	(i) robust budget monitoring (ii) service planning (iii) retention of reserves and budget contingency	Head of Finance/ Heads of Service
Budget savings not delivered on time leading to in year overspending	H	M	(i) robust budget monitoring (ii) retention of reserves and budget contingency	Directors / Heads of Service/ Head of Finance
Insufficient funding received to cover increase in teachers' pension cost	H	M	(i) retention of reserves and revenue budget contingency (ii) maintenance of pay reserve	Head of Finance/ Directors / Heads of Service
Schools overspending against budget	H	M	(i) robust budget monitoring (ii) early review of school's position (iii) clear expectations set and robust communications between schools and the council	Head of Finance/ Directors / Heads of Service
Unforeseen Pressures	H	L	(i) retention of reserves and budget contingency (ii) robust budget review	Head of Finance/ Directors / Heads of Service

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

In drawing up budget proposals, due regard has been given to key council policies and priorities and Cabinet, in setting the detailed budget and spending plans, considered these in detail in their February meeting. Details are included in the February 2019 budget paper which confirm that the new Corporate Plan objectives are funded appropriately to meet the targets proposed.

Options Available and considered

The Council must approve a recommended council tax and resulting overall revenue budget for 2019/20.

Preferred Option and Why

Council has various options open to them on the level of council tax and therefore the overall total revenue budget for the Council.

Comments of Chief Financial Officer

The detailed financial implications stemming from this report are contained within the body of the report, including the statement from the HoF on the robustness of the budget.

The Council is required to set council tax by 11 March but in reality, it will need to be done at this meeting as to delay further will mean bills cannot be produced in time to give the required notice before the first instalments of council tax are due. Therefore, it is important that the Council decides on the level of council tax at this meeting.

The MTFP shown in appendix 4 points to a significant on-going financial challenge and is an issue facing all Local Authorities across the UK. There is an increased amount of uncertainty going forward into future years, related to significant one-off funding included in the 2019/20 budget, funding of pension costs from one-off funding/ grants and the Comprehensive Spending Review due in 2019 which will impact on the WG funding. This Council has been successful in balancing its annual budgets whilst also investing in key priority areas over the last five years but this is becoming increasingly difficult to do as most / significant efficiency savings and tactical savings available have been implemented over this time. Increasingly, a different approach will now be needed in going forward which takes a more strategic and medium term approach to ensure the Council can set a balanced budget over the medium term, matched to strategic changes in services.

Comments of Monitoring Officer

The Revenue Budget Report has been prepared in accordance with the requirements of the Local Government Act 2003 and the Local Government Finance Act 1992. In accordance with Section 25 of the 2003 Act, the Council must have regard to the advice of the Head of Finance, as the Council's Chief Finance Officer, regarding the robustness of the budget estimates and the adequacy of the financial reserves. This advice must be taken into account when considering the recommendations from Cabinet regarding the budget and the Council tax rate. The draft budget proposals have been the subject to general consultation and Cabinet have agreed revised savings proposals, in the light of the consultation responses and the revised RSG settlement for Welsh Government. They are also recommending to Council a reduced Council tax increase. In accordance with the Functions and Responsibility Regulations, agreeing the overall budget and setting the Council Tax rate under the 1992 Act is a matter for full Council. Therefore, the recommendations of the Cabinet are subject to ratification and approval by full Council, insofar as they relate to the overall budget and Council tax proposals for 2019/20. The Council is required to set a balanced budget for 19/20 before the 11th March. However, the implementation of the individual savings proposals within the MTFP are executive matters for the Cabinet, Cabinet Members and Head of Service provided that they are in accordance with the general budget framework set by the Council before the beginning of each financial year. Whichever executive decision-making process applies, all of the business cases have been the subject of equality and fairness impact assessments to ensure that the Council has regard to its public sector equality duties under the Equality Act and is also acting fairly in terms of the impact of the proposed changes on service delivery. In addition, where specific proposals require more focussed consultation with staff and key stakeholders, this will be carried out prior to the implementation of any proposed changes.

Comments of Head of People and Business Change

The 2019/20 Budget and Medium Term Financial plan is set against the backdrop of ongoing financial pressure which has created a challenging environment. Staff have been impacted by changes to date in a number of ways and the Council now employs significantly fewer staff than it did five years ago. Inevitably

there will be further staffing impacts as a result of the financial settlement for 2019/20 and the extent of this will be finalised following the decision making process. All staff potentially impacted upon by this have been offered the opportunity to be consulted with and the relevant Trade Unions have made representations, contained within this report.

As part of the annual process in place a range of opportunities were made available for the public to express their views and again these were included in the report for the consideration of Cabinet on 13th February. Views were gathered through face-to-face sessions, via email, letter and petition, via the on-line consultation pages and in sessions with Newport Fairness Commission and Newport Youth Council.

The Local Authority is required to ensure it considers the impact of decisions made today on future generations. This was done through the use of the Fairness and Equality Impact Assessment process. It should be noted that this is becoming ever more difficult to do in the wake of on-going reductions in funding.

Comments of Cabinet Member

The Cabinet Member for Finance and the Chair of Cabinet confirm that they have approved this report.

Local issues

The budget proposals as shown affect the City as a whole although some specific proposals may affect certain localities more than others.

Scrutiny Committees

All detailed proposals were reviewed by all Scrutiny Committees in their January 2019 meetings, as part of the wider budget proposals consultation undertaken and considered by Cabinet.

Equalities Impact Assessment and the Equalities Act 2010

In finalising its budget proposals, Cabinet took account of the equalities impact assessments carried out, which was reported to them in their meeting on 13 February 2019.

Children and Families (Wales) Measure

Wide consultation on the budget has been undertaken, as outlined in section 3 of the report.

Wellbeing of Future Generations (Wales) Act 2015

The Wellbeing of Future Generations Act 2015, which came into force in April 2016 provides a framework for embedding sustainable development principles within the activities of Council and has implications for the long-term planning of finances and service provision. The business cases used to develop savings proposals include specific linkage with Future Generation Act requirements of the “five ways of working”. These pose the following questions:

Integration – How does this proposal contribute towards the objectives of the key strategic documents of the Council i.e. Newport 2020, Corporate Plan, Well-being Plan, Improvement Plan etc.

Long Term – How does this proposal ensure that the short term and long term requirements are balanced in line with our key strategic plans. I.e. Newport 2020, Corporate Plan, Well-being Plan, Improvement Plan.

Prevention – How does this proposal prevent future problems occurring or getting worse in trying to meet our objectives.

Collaboration - How does this proposal demonstrate that we are working in collaboration either across the organisation or between organisations.

Involvement – How does this proposal involve key stakeholders in the development and implementation of this proposal.

The Well-being of Future Generations Act has involvement as one of the five ways of working under the sustainable development principle. Involvement in the development of this budget has included a seven-week period of public consultation and consultation with Trade Unions via the Employee Partnership Forum, with all Overview and Scrutiny Committees, with the Schools' Forum, with the Council's Fairness Commission and with representatives from the business and voluntary sector.

Crime and Disorder Act 1998

N/A

Consultation

Wide consultation on the budget has been undertaken, as outlined in section 3 of the report.

Background Papers

Budget report presented to Cabinet on 13 February 2019.

Dated: