

Report

Cabinet

Part 1

Date: 18 October 2023

Subject **Newport City Council response to external pressures impacting Council services.**

Purpose To present an update to Cabinet on the external pressures impacting on the delivery of Council services, and a summary of Newport City Council's response.

Author Policy and Partnership Manager

Ward All Wards

Summary This report provides an update on the external pressures facing the council which for this month include the cost-of-living crisis, housing and homelessness pressures and a potential increase in rates of Covid-19.

As with previous months, collaboration and partnership working is key to supporting our citizens and therefore this report provides information on how this way of working is enabling a greater access for our residents to support, advice, and guidance.

Proposal Cabinet to consider the contents of the report on the Council's activity to respond to the external factors on Newport's communities, businesses, and council services.

Action by Executive Board and Corporate Management Team

Timetable Immediate

This report was prepared after consultation with:

- Head of Prevention and Inclusion
- Head of Housing and Communities
- Deputy Head of Education
- Head of Finance
- Head of Law and Standards
- Head of People, Policy, and Transformation

Signed

Background

This monthly report provides Cabinet members with a summary of the key pressures facing our communities, businesses, and council services, and an update on how we are working collaboratively with our partners to help support those in need.

The main pressures highlighted in this month's report are related to the ongoing cost-of-living crisis and housing and homelessness.

Residents in different areas of Newport may be experiencing these pressures in different ways and recent research as part of the new Wales Community Resilience Index (WCRI) listed both Ringland and Bettws within the top 20 places identifies as those where life is hardest.¹

As we head into the winter months, there are concerns over the increasing rates of COVID-19 and the impact of this on individual health, health and social care services, and all council services including schools. Officers will be monitoring any increases in cases to manage disruption to services.

Cost of Living Crisis

In their latest '[Snapshot on Poverty](#)' report published this month, the Bevan Foundation found there has been little change in the living standards of those in Wales since their last report was published in January this year. Amongst other key findings, they report that 15% of households in Wales 'sometimes, often or always struggle to afford essential items', adding that '29% of people borrowed money between April and July 2023 with 13% being in arrears on at least one bill for at least one month'.

Locally, collection rates of council tax are stable but remain below pre-pandemic levels with many customers citing the cost-of-living as a reason for late or non-payment. The Revenues Team encourage customers to make contact at the earliest opportunity so that extended payments and other options to help can be put in place.

The crisis is having an impact on people's physical and mental, as well as financial, health. The impact on health findings in the Bevan Foundation report are aligned to findings by the Chartered Institute for Personnel and Development (CIPD) whose report suggests that UK workers are taking more sick days than at any point in the last decade, with staff taking on average 7.8 sick days in the past year, up from 5.8 before the pandemic. The trade group cite stress, Covid and the cost-of-living crisis, going on to say, 'these conditions were having profound impacts on many people's wellbeing.'²

The above is echoed in Welsh Government figures on school attendance released this month. The data reports 16.3% of pupils aged 11-15 were persistently absent from school during the 2022-23 academic year, which they report as being three times higher than pre-pandemic levels. In addition, the report shows this figure as being more than twice as high for those pupils eligible for free school meals at 35.7%.³

Newport Education Welfare Service continues to work closely with all schools to support the improvement in rates of learner attendance and re-set a more positive school attendance culture across the city.

Examples of the support being provided includes -

- Ongoing monitoring and sharing of school attendance data with internal policies and targets
- Increased support from the Education Welfare Service with all schools supported by a designated Education Welfare Officer
- Reintroduction of Fixed Penalty Notices for persistent absenteeism and holidays during term time
- Attendance clinics in schools and attendance at partnership panels
- Reintroduction of Attendance and Exclusions meetings with Headteacher and Chairs of Governors

¹ <https://www.walesonline.co.uk/news/wales-news/20-places-wales-life-hardest-27752432>

² <https://www.bbc.co.uk/news/business-66883087>

³ <https://www.bbc.co.uk/news/uk-wales-66933229>

- Additional funding for school specific activities

NCC and Partner Support

Supported and coordinated by the officer cost-of-living group, our council staff continue to collaborate with our partner agencies to provide advice and support to help mitigate the impact locally. The additional cost of living advisors detailed in last month's report have been recruited via Shared Prosperity Funding and have a primary focus of building on a city wide cost of living offer, building on existing relationships with key partners.

More recently to challenge and address the inequality of poverty across the city, a strategic group has met to look at poverty in its widest sense and to support the recommendations highlighted in the recent [Building a Fairer Gwent](#) report by the Institute of Health Equity.

Both practical support and advice and guidance activities have been facilitated and supported during this month, and diverse ways of enabling our residents to access this have been promoted. Examples of the support offered during the period follows below.

- Many schools across Newport worked with Newport Live to facilitate activities during the summer break which included a free packed lunch for all children and young people who participated. Further sessions will be organised during Easter, May Half term week and next summer holidays.
- NCC and staff within other organisations in Newport have reported an increase in working families seeking support during the cost-of-living crisis, and sessions have been supported with Citizens Advice Bureau on a Saturday to ensure those in work during the week are able to access advice on benefits, debt, energy, and other household bills.
- A dedicated cost of living advice email address has enabled a more effective method of residents contacting NCC and network partners with support provided in relation to free school meals, pre-loved uniforms, energy bills, food, and clothing.
- Utilising Welsh Government Period Proud funding, officers have been able to provide free period products to key services including food bank and more recently have been able to arrange delivery of products directly to residents' homes.

Planning for the winter months is ongoing, including supporting residents to stay warm. To date, there has been no indication from Welsh Government that funding will be available to support Warm Spaces over this Winter. Instead, an additional SPF funding application was submitted to replicate the Warm Spaces grant programme which successfully ran in Winter 2023/24. Overseen by GAVO the proposed scheme will provide small grants directly to third-sector organisations enabling them to provide warm spaces, support, relevant activities, and food at venues across the city.

To ensure the support being provided meets the needs of our residents and to better respond to the issues being faced, a cost-of-living survey was shared widely, and 570 responses have been received. Officers are analysing the results of this survey and an overview of findings, themes and possible actions will be provided in next month's report.

National Support

Moving into October and the autumn and winter months, officers across NCC will be promoting and facilitating national financial support schemes. Those announced to date include:

- Warm Home discount – eligible households one-off discount of £150 on electricity bills
- Ofgem Price cap – dropping from £2,074 to £1,923 for dual fuel households.
- Winter Fuel Payment – £300 automatic to eligible individuals
- Cost of Living Payment - £300 for those claiming certain benefits
- Warm Wales - 3-month discount on water bills for working families with less than £50K annual income.

Homelessness and Financial Resilience

Pressures on housing and homelessness services in the city continue to be very high. This is caused by a range of factors including the impact of the cost-of-living crisis on household finances and high rents

within the private rented sectors. The discrepancy between Local Housing Allowance (LHA) rates and market rents continue to be a significant issue in the city. Anecdotally homelessness caused by this issue could increase further as landlord's mortgage payments rise.

Ukrainian Support Scheme

The use of one of Newport's hotels by the Welsh Government "Super Sponsor Scheme" will cease in November 2023. The council's Connected Communities Team is working with residents and colleagues from Welsh Government to identify suitable move on options for these households. Due to the pressures on the housing market within Newport, many of these households will be supported to access accommodation in other areas of Wales.

Home Office Streamlined Asylum Process and 7-day notice.

The Home Office have introduced a Streamlined Asylum Process (SAP) and decreased the notice period they give to people who receive a decision to as little as 7 days. This has the potential to increase the number of people moving on from dispersed Home Office accommodation in Newport. Current data from the Home Office is limited but it is likely to significantly increase demand for statutory homelessness assistance. Newport has established weekly internal meeting and is working with a wide range of partners including Welsh Local Government Association, Welsh Government to mitigate these pressures. As part of this work, we have also engaged with colleagues from the Home Office to highlight the impact of these policies on local services.

Risks

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?
Cost of Living impact on Council services	4	4	See this report on the Council's response to the cost-of-living crisis.	Corporate Management Team
Homelessness and housing concerns across the city.	4	2	See this Report on the Council's response to these issues	Corporate Management Team, Head of Housing and Communities, Director of Social Services

* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

- Corporate Plan
- Strategic Equalities Plan

Options Available and considered.

1. To consider and note the contents of the report on the Council's response.
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 on the Council's response.

Comments of Chief Financial Officer

The report highlights examples of support which is available to citizens who are struggling with the cost-of-living crisis. Whilst a significant amount of this specific support is funded from UK Government and Welsh Government, certain factors are having an impact on the Council's finances, both in the short term and across the medium-term. Evidence of this can be seen via the financial pressures upon the Housing & Communities budget, driven by the high levels of homelessness in the city.

In the context of an extremely challenging medium-term horizon, budget managers and Heads of Service will be expected to continue to monitor the impact of the external factors included in this report, especially in areas where grant funding ends, and work with Finance colleagues to escalate any material financial implications and report them where relevant. This will need to also include plans to mitigate any issues, as far as is possible.

Comments of Monitoring Officer

There are no legal issues arising from the report. Any specific legal implications will be addressed as part of the Council's operational responses to the key issues identified in the report.

Comments of Head of People, Policy, and Transformation

This report provides information on the pressures our residents and services are facing and the way in which we are working with our key stakeholders to provide as much information and support as possible. Within the ambition of the Wellbeing of Future Generations Act, officers and partners are working to ensure short term support is provided with a focus on long term resilience.

The council is continuing to consider HR implications for our workforce and working with all service areas closely during this period.

Scrutiny Committees

Not applicable as this an information only report and no decision is required from the Council.

Fairness and Equality Impact Assessment:

Not applicable as this is an information only report and no decision is required.

• Wellbeing of Future Generation (Wales) Act

Long Term – The short term actions the Council is taking now is considering the longer-term impacts which the cost of living is having on communities and businesses in Newport. Newport Council alongside partners are providing financial and non-financial support to help households and businesses.

Collaborative – Newport Council is working collaboratively across the organisation and our external public, private, third sector, voluntary, and housing sectors.

Integration – The actions that the Council and is taking supports the Council's organisational priorities for community cohesion, early intervention, and prevention. This also supports the Welsh Government's priority for Wales being a nation of sanctuary.

Involvement – We are involving communities and residents who are providing vital front-line support and helping vulnerable / disadvantage households, and refugees. The Council is also providing regular updates and communications to those impacted by the cost-of-living crisis.

Prevention - The short term actions the Council is taking now is considering the longer-term impacts which the cost of living is having on communities and businesses in Newport. Newport Council alongside partners are providing financial and non-financial support to help households and businesses.

• Equality Act 2010

Consideration of protected characteristics as detailed within the Equality Act has informed the activities and support provided.

• Socio-economic Duty

The support being provided is fully congruent with the requirements of the socio-economic duty.

- **Welsh Language (Wales) Measure 2011**

All information is provided bilingually.

Consultation

Not applicable

Background Papers

Monthly reports to Cabinet.

Dated: 12 October 2023