

Scrutiny Report



Performance Scrutiny Committee – Place and Corporate

Part 1

Date: 22nd January 2025

Subject 2025-26 Budget and Medium Term Financial Projections

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The following people have been invited to attend for this item:

| Role / Areas of responsibility | Lead Officer |
|------------------------------------|---|
| Service Specific Proposals: | |
| Finance | Meirion Rushworth, Head of Finance |
| People Policy and Transformation | Tracy McKim, Head of People Policy and Transformation |
| Law and Standards | Mike Wallbank, Head of Law and Standards |

Section A – Committee Guidance and Recommendations

1 Recommendations to the Committee

The Committee is asked to:

- (i) Consider the budget proposals relevant to the Corporate Service Areas;
- (ii) Determine if it wishes to make recommendations or comments to the Cabinet on the Proposals within the Corporate Service Areas;
- (iii) Determine if it wishes to make any comments on the budget process or the public engagement (to be forwarded to the Overview and Scrutiny Management Committee for consideration).

2 Context

- 2.1 In accordance with the constitution, the Cabinet is required to consult on the proposals before recommending an overall budget and required council tax to the Council for approval in February.

Scrutiny Committees must be consulted as part of this process. The timetable for the consultation on the budget is as follows:

| | |
|---|---|
| Cabinet agrees draft budget proposals as a basis for consultation | 13 th January 2025 |
| Consultation period | 13 th Jan 2025 to 5 th Feb 2025 |
| Cabinet considers feedback from consultation and agrees final budget recommendations to Council, including Council Tax rate | 12 th February 2025 |
| Deadline for members / groups written amendments on budget proposals for Council consideration to be received by the 'proper officer' (Head of Law & Standards) | 5.00pm, 17 th February 2025 |
| Council approves the 2025/26 budget, service funding and Council Tax rate | 25 th February 2025 |

Structure of Scrutiny of the Budget Proposals

2.2 Each Committee will meet to discuss the budget proposals in detail and formulate comments relating to their portfolio:

| Committee | Date | Role |
|--|-------------------------------|--|
| Performance Scrutiny Committee - People | 14 th January 2025 | Savings proposal within the People Service Areas |
| Performance Scrutiny Committee - Place and Corporate | 16 th January 2025 | Savings proposals within the Place Service Areas |
| Performance Scrutiny Committee – Place and Corporate | 22 nd January 2025 | Savings proposals within the Corporate Service Areas |
| Overview and Scrutiny Management Committee | 30 th January 2025 | <ul style="list-style-type: none"> • Coordination of comments from all Scrutiny Committees • Comments on the budget process • Comments on public engagement |

2.3 Recommendations from the Committee meetings on 14th, 16th and 22nd January will be reported to the Overview and Scrutiny Management Committee (OSMC) at its meeting on 30th January 2025 to confirm the list of comments that will be submitted from Scrutiny to the Cabinet. The Chair of this Committee will be invited to attend the meeting of the OSMC where the Committee's recommendations are discussed.

- 2.4 The role of the Overview and Scrutiny Committee is to coordinate the comments from Scrutiny to ensure that there are no overlaps in what is being recommended and ensure that scrutiny as a whole provides a cohesive and consistent response to Cabinet. It also has overall responsibility for comments on the budget process, and public engagement, which it will be focusing on at its meeting.
- 2.5 At its meeting on 13th January 2025, the Cabinet agreed draft proposals for consultation. The full Cabinet Report and Appendices are available on the [website](#).

3 Information Submitted to the Committee

- 3.1 The following appendices are included for the Committee's consideration **on areas regarding Finance, People Policy and Transformation, and Law and Standards:**

Appendix A – Cabinet Report 2025/26 Budget and Medium Term Financial Projections (MTFP)

Appendix 2 – Budget investment proposals (summary table) **on page 29 of the agenda pack**

Appendix 4 – New budget savings proposals (summary table) and Appendix 10 (detailed proposals) on **page 37 to 39 of the agenda pack and page 41 to 50 of the agenda pack**

(Note – the two Budget Savings for Finance on page 37 were out for public consultation from 14th November 2024 to 15th December 2024)

Appendix 6 – Fees & charges for consultation for Corporate Directorate

(Note – the numbering of attached Appendices has remained the same as the Cabinet Report for ease of reference.)

4. Suggested Areas of Focus

4.1 Role of the Committee

The role of the Committee in considering the report is to:

- **Assess and make comment** on the proposals relevant to the Place Service Areas in terms of:
 - How **reliable** the savings forecasts are;
 - How **achievable** the proposals are;
 - Have **risks** / impact on service users been appropriately mitigated;
 - Is there sufficient and consistent information within the Business cases to enable Cabinet to make an informed decision;
 - How does it fit into the **longer term strategic planning** and vision of the Council;
 - The extent to which the **Wellbeing of Future Generations Act** has been considered.

- **Conclusions:**
 - Feedback the Committee’s assessments of the proposals and highlight what the Cabinet need to be mindful of when taking the decision on the proposals.
 - Feedback to Overview and Scrutiny Management Committee on the budget process and public engagement.

Suggested lines of Enquiry

- 4.2 Councillors have a fundamental democratic right to commission financial information and provide challenge to executives and officers about finances. Scrutiny councillors are not expected to be financial experts, but they have a key role in ensuring **accountability** and **value for money** are demonstrated to the public.
- 4.3 The following has been adapted from Section 3.1-3.4: Source: Grant Thornton – Local Government Financial Resilience Review 2012 (“Towards a tipping point?”) to provide examples of the questioning and lines of enquiry that the Committee may wish to consider:

| | |
|------------------------------------|---|
| Individual Proposals | <ul style="list-style-type: none"> • How reliable are the proposed savings? • Is there sufficient evidence within the business cases to have confidence that the proposals are achievable? • Is it clear how this proposal will be delivered and how the savings will be achieved? • Timing of the implementation – will this achieve a full year’s savings? Will anything delay implementation (such as the consultation process for any redundancies) |
| Links to Strategic Planning | <p>How does the proposal contribute to the achieving corporate priorities included in the Corporate Plan 2022-27?</p> <p>How do these proposals fit into an overall budget strategy / what is the long-term approach to budget at the Council?</p> |
| Assessing Impact | <p>What is the anticipated impact of the budget proposal on:</p> |

| | |
|---|--|
| | <ul style="list-style-type: none"> ○ Services ○ Performance (including performance indicators and standards) ○ Clients / services users |
| | If there is a risk identified, has this been appropriately mitigated? Is this clear within the business case, and is it achievable? |
| | How will we measure the success / impact of this proposal? |
| Fairness and Equalities Impact Assessments | Have these been completed? |
| | Have any impact identified within the FEIA been considered within the business case? |
| Legal and Regulatory | Are there any legal / regulatory requirements of the budget proposal? |

Wellbeing of Future Generation (Wales) Act

- 4.4 The Committee's consideration of the Draft budget proposals should consider how services are maximising their contribution to the five ways of working. Below are examples of the types of questions to consider:

| 5 Ways of Working | Types of Questions to consider: |
|--|---|
| <p>Long-term</p> <p>The importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs.</p> | What consideration have you given to the long term trends that could affect your proposal or; how could your proposal impact these trends? |
| | How will the needs of your service users potentially change in the future? |
| <p>Prevention</p> <p>Prevent problems occurring or getting worse.</p> | What is the objective (or the desired outcome) of this proposal? |
| | How are you addressing these issues to prevent a future problem? |
| | How have the decisions, so far, come about? What alternatives were considered? |
| <p>Integration</p> <p>Considering how public bodies' wellbeing objectives may impact upon each of the well-being goals, on their other objectives, or on the objectives of other public bodies.</p> | Are there any other organisations providing similar / complementary services? |
| | Have you consulted with the health board, third sector, emergency services, businesses and anyone else you think might be impacted? |
| | What practical steps will you take to integrate your project with existing plans and strategies of other public organisations to help us all contribute fully to the seven national well-being goals? |
| <p>Collaboration</p> | Who have you been working with? Why? Who have you collaborated with in finding out more about this problem and potential solutions? |

| | |
|---|---|
| Acting in collaboration with any other person (or different parts of the organisation itself). | How are you co-working with other sectors? |
| | How are you using the knowledge / information / good practice of others to inform / influence the Council's work? |
| <p style="text-align: center;">Involvement</p> <p>The importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the body serves.</p> | How have you involved the people who are being impacted by this decision? |
| | How have you taken into account the diverse communities in your decision making? |
| | How have you used different / alternative methods to reach people and involve them? |
| | How will you communicate the outcome of your decision? |

Section B – Supporting Information

5 Links to Council Policies and Priorities

| Well-being Objective | 1 – Economy, Education and Skills | 2 – Newport's Environment and Infrastructure | 3 – Preventative and Equitable Community and Social Care | 4 – An Inclusive, Fair and Sustainable Council |
|----------------------|--|---|---|--|
| Aims: | Newport is a thriving and growing city that offers excellent education and aspires to provide opportunities for all. | A city that seeks to protect and enhance our environment whilst reducing our carbon footprint and preparing for a sustainable and digital future. | Newport is a supportive city where communities and care are at the heart of what we do. | Newport City Council is an inclusive organisation that places social value, fairness and sustainability at its core. |

6 Background Papers

- [The Essentials – Well-being of Future Generation \(Wales\) Act](#)
- [Corporate Plan 2022-2027](#)
- [Cabinet Agenda 13th January 2025](#)

Report Completed: 22nd January 2025