

Minutes



Cabinet

Date: 18 February 2022

Time: 4.00 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 of 14 January were confirmed as a true record.

4 Capital Strategy and Treasury Management 2022/23

The Leader presented the report to Cabinet informing colleagues that the annual Capital and Treasury Management strategies, was brought to this Cabinet meeting having been reviewed and commented upon by Governance and Audit Committee at their meeting which took place on 27th January.

Cabinet was required to endorse the strategies prior to them being presented to full Council for final approval and was also required to approve the detailed Capital Programme, which formed one of the appendices to this report.

The comments from the Governance and Audit Committee were included within this report and, where appropriate, the report was amended in line with these comments.

The two strategies were a requirement of CIPFA's Prudential Code, form a critical part of short, medium and long term financial planning and are intrinsically linked with the revenue budget setting process.

The purpose of the Capital Strategy was to set out the Council's approach to decision making regarding capital expenditure and, in the process, demonstrating that those decisions were made in line with service objectives, with consideration given to risk, reward and impact.

The Capital Strategy was inherently linked with the Treasury Management Strategy which, itself, was concerned with the Council's approach to managing its cash, including, primarily, the approach to borrowing and investing activities.

A key aspect of the Treasury Management strategy was the borrowing limits, which were ultimately approved by Council, and form part of the suite of prudential indicators which govern the Council's cash management activities.

The Capital Strategy was a long-term focussed document, which considered the next 10 years as a minimum. Because of this long-term focus, it was critical that decisions made are reflective of the need for capital plans to be affordable, prudent and sustainable. Essentially, this meant the following:

- Debt-funded capital expenditure incurred today would result in a long-term commitment upon the Council to repay that borrowing and the interest that arises from it
- That commitment to meet capital financing costs would form part of the revenue budget
- Whilst that commitment might be affordable now, it must be possible to maintain this over the long term
- Capital financing costs, once locked-in, could not be reduced or avoided, meaning that any future budgetary challenges would impact upon the level of funding available for other services and priorities, rather than the capital financing budget.

Due to the importance of these factors, the Head of Finance's commentary within the report specifically addressed these.

As outlined at the beginning, whilst Cabinet made decisions regarding the projects that comprise the Capital Programme, it was full Council that determined the borrowing limits that must be adhered to.

Whilst many projects were funded from sources such as grants, capital receipts and specific reserves, there would be a number that cannot be funded in this way and were ultimately funded via borrowing. The overall Capital Programme, therefore, needed to be set within these borrowing limits.

The forthcoming financial year (2022/23) represents the last year of the current five-year Capital Programme. However, two years were added to the programme to reflect those projects which started in this current programme but extended beyond it to completion.

It was a large and challenging programme to deliver, with the programme standing at £288.4m in totality and in excess of £100m in 2022/23 alone.

It included a number of our key capital priorities, as well as investments such as borrowing for the Cardiff Capital Regional City Deal and an element of borrowing headroom to allow flexibility for new schemes or additional costs to be funded.

Some of the larger schemes within the programme included:

- £111.7m in relation to Education and schools, of which £75m is included in relation to the Council's 21st Century Schools Band B plans, which saw a significant improvement in the quality of our school buildings
- Over £25m of funding for the Cardiff Capital Regional City Deal which contributed towards a huge level of economic development across the region, benefitting Newport
- Nearly £10m for the new footbridge at Newport Station
- Over £12m in relation to the refurbishment and restoration of the Transporter Bridge
- £19.7m for the new leisure centre which, in turn, would pave the way for the new Coleg Gwent development, which would contribute to the development of the Newport Knowledge Quarter

Of the £288.4m total programme, approximately £92m of the expenditure is to be funded via debt, thus increasing the need to borrow and resulting in the Council committing to being a net borrower over the medium to long term.

This commitment to being a net borrower is reflected in Table 2 of the report, which shows how much the anticipated cumulative level of borrowing is set to grow by, with actual borrowing anticipated to increase from the current level of £149m to an anticipated peak of £203m by 2023/24, based on the delivery of the current programme, as set out in the report.

The required borrowing can either take the form of actual external borrowing or can be managed via the use of existing cash resources, which is known as internal borrowing. The Council has historically been successful at maximising its internal borrowing capacity, in turn reducing the need to incur the costs associated with external borrowing.

As reflected in the outlook contained within this report, the level of internal borrowing, represented by the level of cash-backed reserves held, is expected to be circa £100m heading in to 2022/23.

In essence, this means that this is the historic value of debt-funded capital expenditure which has been funded via internal borrowing. However, the capacity for internal borrowing is now diminishing, as earmarked reserves are utilised. As a consequence, the need to externally borrow will increase to, in effect, fund this historic expenditure.

Then, in addition, any future capital expenditure, either in the existing programme or the future programme, will lead to a requirement to undertake further borrowing and will add to the overall capital financing requirement. This serves to remind us that decisions need to take into consideration affordability, prudence and sustainability.

Table 3 of the report shows the impact the need to borrow has upon the revenue budget. The costs associated with the borrowing required for the existing programme, known as the capital financing costs, are already fully funded, due to the better than expected funding settlement from 2021/22.

However, the development of a new capital programme from 2023/24 will potentially see the need to borrow grow further and it will be important that the costs arising from further borrowing can be met from within the revenue budget.

The proportion of the revenue budget dedicated to capital financing costs is already relatively high compared to comparable Welsh councils and, therefore, it will be important that the new programme is sustainable and does not disproportionately impact upon the revenue budget.

Treasury Management Strategy

The Treasury Management Strategy is primarily concerned with the Council's approach to borrowing and investing and includes a number of key prudential indicators.

In terms of borrowing, as already stated, the Council is committed to being a net borrower over the medium to long term. The preferred strategy is to maximise the level of internal borrowing, although this capacity is expected to reduce year on year. Therefore, there will come a point where actual external borrowing is required to meet operational cashflow requirements.

However, although the Council will defer its need to borrow for as long as possible, it may consider undertaking borrowing early to secure favourable interest rates, providing this is affordable and within the agreed borrowing limits. This action would only be taken in conjunction with advice from our Treasury Advisors.

In terms of investing, the objective when investing funds is to strike an appropriate balance between risk and return – that is minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

As outlined in last year's strategy, the Council intends to diversify its investments into different asset classes, to maximise returns whilst mitigating against the risk and low yields from short-term unsecured bank investments. This change in approach was placed on hold due to the uncertain economic climate caused by the pandemic, however the intention is to explore this further during 2022/23.

Decision:

That Cabinet recommend to Council for approval:

- i) The Capital Strategy (Appendix 2), including the current Capital Programme within it (shown separately in Appendix 1), and the borrowing requirements/limits needed to deliver the current programme.
- ii) The Treasury Management Strategy and Treasury Management Indicators, the Investment Strategy and the Minimum Revenue Provision (MRP) for 2022/23. (Appendix 3)
- iii) As part of the above:
 - a. To note the increased debt and corresponding revenue cost of this, in delivering the current Capital Programme, and the implications of this over both the short and medium-long term with regard to affordability, prudence and sustainability.
 - b. To note the Head of Finance recommendation to Council that borrowing needs to be limited to that included in the current Capital Programme, and the recommended prudential indicators on borrowing limits to achieve this.
 - c. To note the requirement to limit and manage debt funded expenditure beyond the existing programme period, for sustainability purposes, with particular regard to the development of the new Capital Programme.
 - d. To note the changes to the Prudential Code and Treasury Management Code, and the impact of those changes on the Council's approach to capital investment and treasury management.
 - e. Note comments made by Audit Committee on 27 January 2022 (paragraph 6).

5 Revenue Budget and MTFP: Final Proposals 2022/23

The Leader presented the report, informing Cabinet on the final Medium-Term Financial Plan and 2022/23 revenue budget report. This was one of the council's most significant reports and needed to be considered carefully.

This report represented the culmination of six months hard work, from reviewing and agreeing budget assumptions to form the basis of our planning, to this final stage of allocation of funding to our key priorities.

There were challenges to the budget process this year. Not only was the Council going into the third year of working through the pandemic and all its associated issues, but the draft Welsh Government settlement, which funds 76% of the budget, was received very late on 21 December. This meant final and detailed budget work could not be finished within the customary timescale.

The settlement this year, however, included a multi-year funding settlement which brought a reasonable level of certainty. The inclusion of indicative values for the next two years supported our capacity for long term planning.

The settlement received from Welsh Government was much higher than that included within the planning assumptions, removing the need to identify any new budget savings.

A 'balance in hand' was reported to January Cabinet and this report summarised the investments that would support key priorities. The report also provided detailed feedback from the consultation process.

The Cabinet considered the results of the consultation, along with other key contextual matters and would set out our investment areas in the 2022/23 budget.

Council Tax only made up 24% of the Council's revenue budget funding, but it was still an essential element of the Council's overall funding.

Full Council made the final decision on the Council Tax level only.

The Council's Revenue Support Grant increased significantly, by nearly £25m, however, this was predicated on the Council covering several cost pressures and investments determined by external influences including, but not limited to:

- additional costs of introducing the Real Living Wage for care workers from 1 April 2022
- the costs associated with the teachers' pay deal
- increased National Insurance contribution for employers from April 2022
- the management of the continued residual impacts of increased costs and reduced income from the Covid pandemic, in recognition of no continuation of the hardship fund beyond this financial year.

The Council consulted on a 3.7% Council Tax increase which added a further £2.7m to potential funding for next year's budget. In total, funding in our draft budget increased by £27.5m.

- Some initial budget investments in draft budgets highlighted key priorities of: prevention and early intervention
- our city centre
- our schools

The draft budget set out:

- £3.2m in support of our care workers, ensuring they are paid the 'Living Wage'
- nearly £1m for supporting our most vulnerable adults with learning difficulties
- nearly £900k to facilitate the increased take up of free school meals
- nearly £400k for prevention and early intervention services within our Education and Social Care departments, building on a very significant increase in school funding, as well as specific funding to help those in our schools who require additional support

Table one of the report showed £3.3m of available resources in hand at the draft budget stage, and further changes to investment profiles have resulted in the 'balance in hand' for resources to allocate increasing to nearly £3.9m.

	2022/23 £'000
Revised balance in hand	(£3,892k)
New investments:	
<u>SOCIAL CARE</u>	£1,110k
Sustaining our vital care providers in social care is an area of considerable challenge. In addition to ensuring that social care workers are paid the Real Living Wage. Therefore, an additional provision of £1.1m for the potential risk of higher on-going costs in our Social Care sector, following challenges coming out of both Covid and Brexit. The creation of a permanent increased budget in this area would help in	

<p>ensuring budgets are robust, help mitigate these risks and crucially, ensure we continue to fund the best care we can for our most vulnerable residents.</p> <p>Demand in our social services and care was a real challenge emerging from the challenges of the last two years. Further investment within social care would create additional capacity within teams to support our vulnerable residents - this £191k investment supports an additional 6 posts. One of these posts would manage the community connector service, which was a key intervention and prevention service, sign posting individuals to services available within the community that meets their needs.</p> <p>Additional investments in social care budgets demonstrated on-going commitment to this area as it dealt with continuing demand and challenges. Looking after the most vulnerable members of our communities was a priority, in particular with early interventions where needed and prevention in the first place wherever possible.</p>	£191k
<p><u>CITY CENTRE</u></p> <p>Cabinet wanted to invest further to create a positive impact both on the city centre and the businesses within it. In particular, the promotion of the city, marketing, inward investment, coordination of activities and events, tourism, and the general environment in and around the city.</p> <p>Therefore, an investment £377k in a number of key priority areas, included:</p> <ul style="list-style-type: none"> - An additional £198k investment in cleansing for enhanced city centre cleaning - £38k to create capacity to develop and implement a cultural strategy therefore strengthening Newport's cultural offer - £49k investment in a city centre manager role to enable better liaison of all of the Councils and partners work in the city centre, including with businesses - £92k investment in destination management and ensure we are 'marketing' the city robustly and maximising its potential to businesses, visitors and residents <p>In addition to these, Cabinet would not be increasing the Councils fees and charges for city centre car parking and licensing venues for outdoor seating.</p>	£377k
<p><u>OTHER</u></p> <p>The issues that made a difference over the last two years and issues which really mattered to our residents were:</p> <ul style="list-style-type: none"> - Investment of £255k for the maintenance of our parks play areas and equipment. In conjunction with a significant one-off investment to get our stock of play areas back up to speed, this budget will provide capacity for on-going maintenance and replacement thereafter - We have made significant improvements in housing rough sleepers over the last two years and in dealing with general homelessness demands, helped by the WG Hardship Fund. Some specific funding will continue from WG and we will invest £34k to augment that which will enable us to continue with our current provision and support to vulnerable residents here - There is an urgent need for this Council to play its part and reduce its carbon footprint. We are already doing a lot and we propose to invest £153k and increase capacity to develop and implement future schemes to achieve our net zero ambition. 	£1,463k

<p>- Our recycling record is already very good and can improve even further. We will invest £55k to provide capacity to support and encourage greater engagement from residents in flats and houses with multiple occupation to deal with waste issues and promote recycling</p> <p>In addition to increasing staff resources to add capacity in key areas already outlined, we will provide capacity in a small number of further areas at £466k to improve the monitoring of our capital programme, in our highways planning function, waste and refuse services, electoral registration service and environmental health.</p> <p>In line with section 6 of the report here, we will also invest £500k to help manage the financial risks around the on- impact of Covid and no Hardship Fund from 2022/23. The fund has been essential and no doubts, impacts on the Council finances will continue in some form or shape. Alongside the other temporary measures, this will provide mitigation against this and in doing so, enable us to focus our one-off resources on priorities and new investments</p>	
<p><u>COUNCIL TAX</u></p> <p>Lastly, Council Tax. We consulted on a 3.7% increase in Council Tax. With this increase we would still have had one of the lowest rates in Wales, and indeed the UK. However, I have made clear my intention to listen to our residents and be mindful of the continued pressures on household finances. Therefore, Cabinet would reduce the proposed increase in council tax to 2.4% and this will cost £828k.</p> <p>The investments outlined above totalling £3.969m will be offset by recently confirmed lower than anticipated inflationary increases on council levies of £77k and therefore balances the budget</p>	<p>£828k</p> <p>(£77k)</p>
<p>Total remaining to allocate</p>	<p>-</p>

The Leader explained aspects of the budget:

To date, for businesses:

- support with Covid related business grants,
- administered rate relief, now in its second year, with a more limited scheme for 2022/23 in train also.
- increased our business grants scheme here locally with a £250k one off investment from the 2020/21 underspend.

For communities:

- supported them not only through our day-to-day services but also through specific one-off investments from the 2020/21 underspend for a number of initiatives, such as:
- £500K for the Creation of a community Covid recovery fund
- City Services, £500k for the refurbishment and cleansing of open spaces
- £170k for 'Cariad' Casnewydd
- £180K for community gardening schemes
- provision of permanent investment in the current year's budget at over £150k to develop and implement plans and initiatives to further increase pride in our city, and to find ways to support and foster connections with and between the local communities within it.

This budget presented here today would build on these, as an example, Cabinet were focussing on green spaces, providing greater levels of investment in these important

resources. The Covid-19 pandemic had a significant impact on people's lives. Being outdoors and spending time in green space has been shown to be highly beneficial to both mental and physical wellbeing. It was the Cabinet's intention that further investment in parks and outdoor spaces would encourage residents and families to use these spaces to connect further both with the natural environment and with their local communities.

In addition to the permanent revenue funding of £300k over two years to maintain our play areas and equipment, we intend to make a £2.5m one off investment in parks and open spaces. This would be funded through the revenue underspend at the end of the year.

Cabinet intended to develop and continue our support for our city centre, investing almost half a million pounds in our city centre over the next two years to promote the city, encourage tourism and improve the general environment in and around the city. An initiative on further support to city centre businesses would be provided in the March Council.

In addition, Investment in schools at over £8m, social care at over £6.5m, with a focus on prevention and early intervention services. As well as investment in housing and homelessness services and providing capacity to move towards our ambition of net zero carbon.

These were the right priorities as we look beyond the challenges of the last two years. These priorities would guide our work, to deal with the new challenges, but also the new opportunities of the future.

Comments of Cabinet Members:

- Councillor R Jeavons, advised that recycling was close to 70% thanks to Newport residents. The additional £55K would help break through the 70% barrier and help with future recycling targets. The Council have listened to its residents and would have taken into consideration future energy costs as well as Newport City Council still having one of the lowest council tax.
- Councillor Truman referred to the increased cost of living, the budget was an investment in people including the vulnerable. The budget also supported businesses and was a forward-thinking budget. Since the pandemic, two years ago, this was widely consulted this year and people had shown interest by engaging in the consultation.
- Councillor Davies supported colleagues' comments and added that these were difficult times, with the rise in the cost of living and fuel crisis. The commendable additional investment to raise the standard of living was right for the residents' needs. As the Cabinet Member for Education and Skills it was right to invest £8.8M into education services and recognise the vulnerability of the children of Newport as a result of the pandemic. Schools were central to local community, providing food parcels and clothing. The funding would also support Additional Learning Needs (ALN) as well as the provision of school meals, which saw an uptake of 118% in recent years.
- Councillor Mayer thanked the Leader for her presentation and the hard work put into this. This years budget had started as soon as the previous budget was agreed. The Council had consulted widely with trade union representatives as well as Newport residents.
- Councillor Hughes was proud to be part of a Cabinet that focussed on the people it served and enhancing the city. The budget favoured all members of the city and supported the most vulnerable.
- Councillor Harvey was also proud of budget and pleased that investment on parks and spaces had been incorporated.

- Councillor Cockeram echoed comments and congratulated Leader on the presentation of the budget.

Decision:

That Cabinet agreed to the following:

Budget proposals and medium-term plan (section 3-5)

- To note the formal consultation on the budget as outlined in section 4 and the feedback received, shown in appendices 1 to 4.
- To note the Fairness and Equalities Impact Assessment (FEIA) on the budget proposals, shown in appendix 9.
- To review and confirm budget proposals (appendix 5 - 6), as currently summarised within the medium term financial plan (appendix 7) and allocate the financial flexibility shown in table 4.
- In doing so, to provide a minimum of £500k from the current financial flexibility for on-going Covid / no Hardship Fund risk and agree to temporarily re-classify the budgets outlined in para. 6.8 and the reserves for the same, noting that the risk would need on-going monitoring as the year progresses.
- To agree the 2022/23 fees and charges of the council shown in appendix 11.
- To note the budget investment in schools of up to £8,003k is based on an assumed teachers/ NJC pay increase of 4% from September 2022 in addition to the cost of new/ expanding school provision as noted in paragraph 3.8 – 3.13.
- Cabinet were asked to approve that the pay provision was retained in ‘contingency’ within the overall ISB and distributed to individual school budgets from there once the agreed pay award was known, with the intention of fully funding the agreed pay award up to the budget provision available.

Overall revenue budget and resulting council tax 22/23 (section 6 and 7)

- To note the Head of Finance’s recommendations that minimum General Fund balances be maintained at a level of at least £6.5million, the confirmation of the robustness of the overall budget underlying the proposals, and the adequacy of the general reserves in the context of other earmarked reserves and a revenue budget contingency of £1.4million.
- To note the current level of council tax for Newport City Council and the monetary value of various percentage increases and how this compares to levels of council tax at other councils as shown in table 5.
- To recommend an overall net budget and resulting council tax to full Council, noting that a formal resolution including the Police and Crime Commissioner for Gwent and Community Councils’ precepts will be presented to Council on 1 March.
- To recommend an overall net budget and resulting council tax increase of 2.4% to full Council, noting that a formal resolution including the Police and Crime Commissioner for Gwent and Community Councils’ precepts will be presented to Council on 1 March.
- To approve expenditure and use of reserves in line with the summary shown in appendix 10b, noting they are based on detailed proposals reviewed by Cabinet in their January 2022 meeting.

The Leader presented the report to Cabinet Member colleagues highlighting the following:

2021 Summer Results

The calculation and publication of Key Stage 4 and legacy sixth form performance measures for 2020 to 2021 and 2021 to 2022 academic years is suspended.

Qualification awards data would not be used to report on attainment outcomes at a school, local authority or regional consortium level and must not be used to hold schools to account for their learners' outcomes.

There would be a direct impact on the usual data releases provided by the Welsh Government, with some releases suspended for one or more of the years disrupted by coronavirus or still to be determined.

All schools and post-16 providers continued to be required to undertake effective self-evaluation to support continuous improvement. This involved schools, with support from local authorities and regional consortia, using the learner level information they had on attainment and other outcomes to reflect on and improve their existing arrangements.

School categorisation would not take place in academic year 2021 to 2022. Regional consortia and local authorities continued to work in partnership with schools to help provide them with the support they need to improve and to successfully implement our ambitious reforms.

The School Performance and Absence Targets (Wales) Regulations 2011 were revoked in 2020, this meant that schools were no longer required to set and publish targets.)

Curriculum for Wales and Welsh Government Draft School Improvement Guidance

There would be a new curriculum for schools and funded non-maintained settings in Wales from September 2022, Curriculum for Wales (CfW).

In March 2020 Welsh Government consulted on the draft school improvement guidance. The new proposals aimed to:

- Strengthen the importance and effectiveness of self-evaluation and improvement planning by schools, which draws on a broad range of evidence
- Focus on schools' self-evaluations and improvement priorities as the starting point for work with local authorities and regional consortia.
- Consider school performance in its widest sense, with schools evaluated in their own context, supported by a broad range of evidence, bespoke improvement planning and support.
- Ensure that the school's self-evaluation processes identify areas of strengths and priorities for improvement, which are drawn together in a single, strategic school development plan.
- Build on schools' self-evaluations and development plans to work with local authorities and regional consortia to agree the additional support they need to improve.
- Identify where schools have strengths and capacity to collaborate with other schools to support them

Data for Elected Members

Schools used a range of evaluative information and progress data to inform and refine future practice and provision, shaping their priorities for improvement. Members continued to receive data on:

- Estyn inspection outcomes (from Spring Term 2022) and progress of schools in statutory categories (from Autumn Term 2021)
- Attendance information
- Exclusion information
- Contextual information (FSM %, All Wales Core Data set contextual data would be updated)
- My Local School with updated information including: (Free School Meals (FSM)%, Special Educational Needs (SEN)%, English as an Additional Language (EAL)% - 3 year rolling average covering 7 years)
- The progress of Schools Causing Concern (including those within the multi-agency approach and those within the regional Team Around the School approach)
- Local Authority information on Finance, Human Resources, Additional Learning Needs (ALN), Education Other Than at School (EOTAS).

South East Wales Consortia directors commenced discussions with The South East Wales Education Achievement Service (EAS), around the full range of information that was currently available on the context and performance of schools. Further consultation would be required to identify the most relevant and meaningful information to share with elected members, recognising that once entering the scrutiny process, this information would be automatically made public

Comments from Cabinet Members:

Councillor Davies advised colleagues that it was important to note Welsh Government have recognised that high stake accountability systems largely failed in leading to sustained improvements in schools. This was due to an over reliance on a narrow range of performance data which drove consequent behaviours that ultimately impacted on individuals and how they learned.

It was now recognised that a transparent supportive approach with specific feedback generated growth with an honest investment in accountability that led to whole school improvement and better outcomes.

Whilst KS4 and KS5 data was no longer used to measure attainment and as a comparator with other schools, and indeed it was necessary to suspend this during the pandemic, it remained vital that schools understood and knew how to support their students to improve their learning and help to prepare them for the competitiveness of the adult world.

Schools would continue to use formative assessment strategies and a range of evaluative information to determine an individual's development and performance. Schools were being offered bespoke support and guidance from both the LEA and the EAS to ensure self-evaluation and target setting with measurable outcomes were being efficiently used.

Elected members would continue to be updated on a range of measures that were already in place. It was important that elected members were provided with an understanding of context in relation to performance of our schools in Newport. Consideration however, must be given to confidentiality and the associated risks that this paper referred to when comparisons were made. Work was therefore currently ongoing as to what this would look like.

The Leader thanked Councillor Davies for her continued and valued support.

Decision:

That Cabinet:

1. Acknowledged the position regarding pupil performance.
2. Considered any issues arising that the Cabinet may wish to draw to the attention of the Chief Education Officer.

7 Welsh Language Five Year Strategy

The Leader firstly advised colleagues of the death of the Welsh Language Commissioner, Aled Roberts on Sunday 13 February. Aled was a former Leader of Wrexham Council and an Assembly Member for North Wales region in 2011.

The council was subject to a number of Welsh Language Standards, imposed by the Welsh Language Commissioner.

Standard 145 placed an obligation on the council to publish a five year strategy which sets out how we proposed to promote and facilitate the use of the Welsh language in Newport.

The Standards also required that the Strategy must include a % target for increasing or maintaining the numbers of Welsh speakers in the area and a statement setting out how this would be achieved.

The Leader was delighted to present our second Welsh Language Promotional Strategy which built on the links, good work and progress made over the last five years.

The Strategy represented an evolution from our 2017 – 2022 plan, with a focus on delivering a vision for the Welsh language in Newport that included all of our diverse communities, works in partnership with key stakeholders and met statutory obligations.

The Strategy reflected Newport as a Welsh city with rich multicultural, multilingual communities. We wanted to celebrate the Welsh language as part of our shared identity, and increase opportunities for everyone to see, hear, learn, use and love our national language.

It also brought together exciting Welsh language work across a range of areas including our new Welsh in Education Strategic Plan and our work with Public Service Board partners through our Right Skills Board.

As well as focusing on growing the range of partners and stakeholders who were engaging with the Welsh language, we continued our commitment to develop our internal structures and policies to support staff who wish to learn Welsh, or use their skills in the workplace.

This Strategy would provide a drive and focus for the next five years as we continued to raise the profile of the Welsh language across the city, supporting Welsh Government reach its target of 1 million Welsh speakers by 2050, and create a Wales of vibrant culture and thriving Welsh language.

The Leader invited Cllr Jason Hughes, Welsh Language Member Champion to say a few words.

Councillor Hughes shared sentiment on Aled's passing and thoughts went out to family and friends.

Mae'r strategaeth yn. Cyflwyno gweledigaeth y cyngor ar gyfer yr iaith gymraeg Yong Ngasnewydd-Bod pawb yn gallu gweld; clywed; disgru, defnyddio a caru Cymraeg.

Er bod ein targed ar gyfer twf yn canolbwyntio ar addysg, rydym yn cydnabod bod angen uchelgais ehangach ar gyfer y Gymraeg yng Ngasnewydd er mwyn gwneud yr iaith yn hygyrch a gynhwysol fel y gall ein holl drigolion ymgysylltu a hi.

I gyflawni hyn rydym wedd datblygu tair thema strategol syn canolbwyntio ar gymunedau addysg, diwylliant ac hefyd chyflogaeth a sgilliau.

Mae cypress o gamau gweithredu syn ymwneud ar themau hyn wedi cynnwys y strategaeth a bydd y rhain yn cael eu hadolygun barhaus, yn enwedig yng ngoleuni data's cyfrifiad (sensws) newydd a all dweud mwy wrthym am brofil ieithyddol Casnewydd.

Byddwn hefyd yn defnyddio strwythurau llywodraethu presennol i fonitro cynnydd y strategaeth gynnwys drwy ein bwrdd sgilliau cywir; grwp gweithredu iaith Cymraeg ac hefyd fforwm yr iaith Cymraeg yn y ddinas. Adroddir yn gyhoeddus ar gynnydd y strategaeth fel rhan o'n hadroddiad blynyddol ar y iaith Gymraeg a gyhoeddir fel rhan o'r adroddiad bob blwyddyn ariannol.

Diolch yn fawr Arweinydd

The strategy introduced the council's vision for the Welsh language in Newport – that everyone is able to 'see, hear, learn, use, and love' Welsh.

Although our target for growth is education focussed, we recognised that we need a wider ambition for the Welsh language in Newport in order to make it an inclusive, accessible language which all of our residents can engage with.

To achieve this, we have developed three strategic themes which focussed on Education, Communities and Culture and Employments and Skills.

A series of actions relating to these themes were included in the Strategy, and these would be reviewed on an ongoing basis, particularly in light of new census data which may tell us more about Newport's linguistic profile.

Existing governance structures would monitor the progress of the Strategy, including through our Right Skills Board, Welsh Language Implementation Group and Welsh Language Forum.

Progress on the Strategy would be publicly reported on as part of our Welsh language annual report which was required to be published each financial year.

Comments from Cabinet Members:

- Councillor Mayer thanked Councillor Hughes as the Welsh Language Champion as well as the Leader. Councillor Mayer thanked Tracy McKim, in her role as Policy, Partnership and Involvement Officer and the team who embedded this. Finally Councillor Mayer also Heather Powell, Connected Communities Manager, for her hard work and support. Heather was leaving the Council and Councillor Mayer wishes her all the best as she embarked on her new career path.
- Councillor Davies echoed thanks of colleagues. The report reflected on target of WESP and adopted those priorities to achieve target of 1M speakers by 2050.

Decision:

That Cabinet approved the draft Strategy prior to submission to Full Council in March.

8 Western Gateway

Established in November 2019, the Western Gateway was a strategic partnership which aimed to deliver an economic powerhouse along the M4 and M5 corridor, driving growth on both sides of the Severn. As one of five cities, Newport was a key player in the success of the partnership and stood to profit from the benefits that greater collaboration brought. As a partnership we had nearly 4.4 million residents, approximately 160,000 businesses and in the region of 2.1 million jobs. We also enjoyed excellent connectivity with major motorways and roads, 2 airports and 9 ports.

Since July 2020, the membership of the partnership board was broadened to include representatives from local economic partnerships, universities, and the Cardiff Capital Region. The Board also included appointed business representatives, one of which was Ian Edwards, Chief Executive of the Celtic Manor Resort.

An Independent Economic Review was undertaken in Autumn 2021 and considered the Western Gateway's economic strengths and opportunities, and how these could be led and coordinated to drive the region's economic development. The three identified themes and associated workstreams were:

- Innovation - the UK Government had an ambitious target to increase public R&D spend by an additional £9bn per year by 2024/25 and the partnership are exploring the potential for Innovation Funds,
- Net Zero - cutting emissions by 80% to 2050 was a core policy of Welsh Government and the UK Government legally committed to reducing emissions to Net Zero by 2050. £12bn of support already ringfenced to achieve this. The potential for tidal energy in the Severn Estuary is being explored, as well as opportunities for hydrogen.
- Connectivity - also a Welsh and UK Government priority. The partnership was focussing on Strategic rail infrastructure and mapping the 2050 'ideal' national and regional rail network to understand where the gaps existed, what the carbon savings could be from achieving a modal-shift, and what the economic benefits would be for the region.

The partnership board were also committed to improving the profile and prominence of the Western Gateway through targeted communications and events. A key event would be the Inaugural Conference which due to be held on 8 March 2022 at the ICCW. A wider Communications and Engagement plan was also being developed which would see the production of a new prospectus and the redesign and rebranding of the website.

The partnership board was keen to have a presence at prominent international events, including MIPIM in June, where the opportunities of the region could be promoted to international companies and investors. The Western Gateway would be hosted on existing stands occupied by the West of England Combined Authority and Cardiff Capital Region/Cardiff. There was also interest in having a dedicated area at the UK Real Estate Investment and Infrastructure Forum in May. As part of the Western Gateway, Newport would have a presence at these events and promotional material is being developed to showcase Newport to an international and influential audience.

The partnership operated under Standing Orders and Terms of Reference agreed in March 2020. An updated Terms of Reference was agreed by the Board, a copy of which was attached to the reports ensuring appropriate governance.

The Western Gateway was principally funded by a capacity payment from the Department for Levelling Up, Housing and Communities. Ongoing funding was requested from the Spending Review but an annual financial contribution of £10,000 was being sought from partners to support the work of the Secretariat.

The Western Gateway was hosted by South Gloucestershire Council which was the accountable body for the partnership and therefore responsible for the budget. Secretariat staff were also employed but it was recognised that there existed liabilities for partner authorities should the partnership collapse. Whilst this risk was considered very low, until an ongoing budget was secured from the Spending Review, these liabilities remained and all partners were asked to agree to an Indemnity Agreement

Overall, the Western Gateway continued to present Newport with an opportunity. An opportunity to be part of a strong strategic partnership which would help businesses and industries collaborate and share innovation on a regional basis. Achieving such benefits on our own would be impossible but through partnership working, greater opportunities arose

and Newport's profile and economic growth ambitions became much more achievable and realistic.

This report was for information but it was important that Newport remained a key player in this partnership opportunity to help Newport on its own journey to economic recovery.

Decision:

That Cabinet noted the content of the report and supported Newport's continuing involvement with the Western Gateway.

9 Covid Update Report

The Leader provided Cabinet with an update on the above report.

Following the last report to this Cabinet in January, the Omicron variant peaked across Newport and Wales. But over the last couple of weeks the case rate has significantly dropped.

In response the Welsh Government eased restrictions back to level 0 meaning households and businesses could return back to normal business but maintaining the need for social distancing and face coverings when entering indoor venues and public transport.

The Welsh Government's position is for public sector services to work from home where it was possible.

Council services continued to operate as normal to the best of their ability but there remained ongoing demand and pressures within some front-line services.

Both this report and the EU Transition report were highlighting the ongoing pressures and uncertainty many households are facing across Newport and Wales with the cost of living crisis caused by rising energy, food and fuel costs.

Both Newport Council and the Welsh Government were supporting households and businesses that were struggling to meet these pressures. Newport Council committed an additional £100,000 towards tackling the food poverty supporting food charities and groups.

We were also supporting the Welsh Government's Winter Fuel Support scheme which was extended to 28 February and amounts increased from £100 to £200.

As Elected Members of Newport it was important that we supported struggling households and people helping them to find the right support and guidance during this difficult time.

Comments from Cabinet Members:

- Councillor Truman took the opportunity to thank Environmental and Trading Standards Teams who reprised their role in track and trace over Christmas period because of the Omicron spike and had now continued their inspections. The Cabinet agreed and the Leader also thanked staff for their continued support.
- Councillor Davies added that in light of the omicron variant, schools planned to manage during an increase in sickness levels. It was admirable to note that teachers adapted to ensure that school classes were not closed down. It was difficult not having teaching and support staff at full capacity and were thanked for their efforts, as well as the Education Service for their tireless and continued support.

- Councillor Jeavons thanked City Services for their contribution and their continuous refuse collections through omicron and the adverse weather. The Deputy Leader also thanked staff for the Winter maintenance regime.

Decision:

Cabinet considered and noted the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.

10 **Brexit Update Report**

The Leader presented the report and informed colleagues on the progress to date. It was over a year since the UK left the European Union and Single Market.

Throughout the year we continued to see widespread impacts not only from leaving the EU but also due to the global impacts of Covid as economies have seen increased demands and supplies have been disrupted.

The cost of living for households in Newport and Wales increased throughout the year with wages struggling to meet these additional costs.

For low-income households, these increases had the biggest impact with energy prices expected to increase further in 2022.

As reported in the Covid Recovery Cabinet Report, the Council, Welsh Government and other not for profit / charities offered households financial support during this difficult time as well as offering to provide debt advice, training, and employment opportunities.

Newport Council continued to administer grants and financial support to households and businesses in the City.

- This included processing over 7,000 applications for Winter Fuel applications and paying the grant to 6,253 households
- For businesses, Non-Domestic Rates grants have been paid to 510 businesses totalling £1.3m.

It was important for households that were eligible for the grant to apply and provide support to their energy costs during this difficult time.

Also, for Businesses in Newport it was important to apply for the Non-Domestic Rate grant and also to visit our website and Business Wales to see what financial support and advice was provided.

For the City's EU / EEA citizens living in Newport, over 10,000 applications for settled status have been concluded with 920 applications awaiting a decision (based on Home Office figures to September 2021).

Cabinet reiterated its support for EU/EEA citizens living and working in Newport and that they all had a part to play in making Newport a great city to live and work in.

This Cabinet encouraged anyone still awaiting a decision or having difficulties to conclude their application to contact the Council and other organisations such as Citizens Advice Bureau.

Newport Council and its partners continued to engage and involve residents from the EU. Feedback from these events was important for us to understand how we could continue to support our citizens.

It was encouraging to see that 85% of EU citizens that attended the events felt happy living in Newport but we Cabinet was aware of the ongoing challenges they faced to ensure that Newport remained a safe and welcoming city.

The Council continued to see an increase in the number of EU and non-EU nationals needing support from Council services but did not have any recourse to public funds.

The Council's Hardship solutions group were coordinating the effort by the Council and not for profit services to support those impacted and try to prevent exploitation of those affected.

Comments from Cabinet Members:

- Councillor Harvey asked that those residents who had not applied for assistance, to contact their ward councillors who would help them apply for grants as outlined by the Leader.
- Councillor Davies advised that Newport had felt the impact the loss of EU workers had across the health and care profession, which was causing problems with recruitment. An initiative was recently launched to provide day work experience to consider qualifications and a bespoke work plan for those considering joining the profession. The Cabinet Member did however stress that Newport still needed EU workers.
- Councillor Cockeram agreed with the comments from Cllr Davies and added that care workers were desperately needed.

Decision:

Cabinet considered and noted the contents of the report and for Cabinet / Cabinet Members to receive updates from officers as part of their portfolio.

11 **Work Programme**

This was the regular monthly report on the work programme.

Please move acceptance of the updated programme.

Decision:

Cabinet agreed the Work Programme.