

APPENDIX 1 – Budget Investments

New Budget Investments

Service Group	Category	Proposal Title	23/24 (£'000)	24/25 (£'000)	25/26 (£'000)
ENVIRONMENT & SUSTAINABILITY					
Housing & Communities	Demand - Other	Homelessness costs - Costs this year are in the region of £2.2m - £2.5m and are anticipated to decrease over time to £2m. There remains a degree of uncertainty as to what proportion of these costs are temporary or permanent so will continue to be closely monitored. RG Update - HB element approx. £2.75m, residual shortfall in Homelessness circa £750k	3,500	0	0
Housing & Communities	Other	Adult Community Learning - WG drive to increase service provision	40	0	0
Infrastructure	Other	Highways materials - above inflation price rises in materials being experienced across the market	17	0	0
Environment & Public Protection	Other	Fixed Penalty Notice (FPN) and Environmental Licence Income - the community safety warden service over a number of years has reduced operating hours and coverage by area resulting in a reduction in FPNs issued and subsequent income collected. Environmental licence fees have been reduced by DEFRA which has impacted on the income levels generated.	47	0	0
TRANSFORMATION & CORPORATE					
People, Policy & Transformation	Other	Community Safety Network - a reserve was established a number of years ago to meet the ongoing costs associated with the Community Safety Network that provides CCTV for the city. The reserve will be fully depleted in 23/24 but the annual contract of £128k will remain. There is potential to reduce contract value dependant on review of need.	86	42	0
People, Policy & Transformation	Other	Occupational Health Contract - renewal of contract	60	0	0

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TRANSFORMATION & CORPORATE					
People, Policy & Transformation	Other	Salary Sacrifice - a salary sacrifice scheme and income target was introduced following the implementation of Total Reward in 2018, the income target has never been fully met.	30	0	0
People, Policy & Transformation	Other	Welsh Language Translation - a reserve is in place for Welsh language costs which has funded a range of activities to increase the use of the Welsh language in Newport City Council and across the city. Based on current projections this reserve will have been utilised fully by March 2024. The budget for Welsh language translation costs has remained at the same level for a number of years and our continued work to develop the use of the Welsh language, increased service area need, and the introduction of the Welsh language skills policy will result in a budget pressure from 24/25 onwards.	0	40	0
Law & Standards	Pricing	Insurance Premium - renegotiation of contract price based on 30% increase in other local authorities	214	0	0
Finance	Other	My Council Services (MCS) Operational Support Team & Project Team - The Operational Support Team is an integral part of the Council's Contact centre operation and also includes an unfunded project team who initially implemented the Councils 'My Council Services (MCS)' system' and continued to roll it out further to services since then. MCS is a business-critical tool; key to several services across the council, supporting our digital strategy with over 260 online forms, a Customer Portal and Newport App. There is no base budget to fund the MCS project team and underspends/reserves which have funded it to date are now depleted.	82	0	0
Finance	Other	Creation of a combined Revenues & Benefits Service - restructure of existing teams to strengthen management posts and align officers on equivalent grades	90	0	0
Regeneration & Economic Development	Other	Management post in Place - shortfall in budget against the newly created Culture Manager due to Evaluation Panel awarding a higher grade than anticipated	5	0	0
Regeneration & Economic Development	Other	Medieval Ship - cessation of WG grant to support the maintenance of the ship has led to budget pressure.	20	0	0

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NON-SERVICE					
Non-Service	Other	Housing Benefit technical overpayments	600	0	0
Non-Service	Other	NNDR Revaluations - Revaluation of NNDR properties. Draft values will likely be known in December	TBC	TBC	0
Non-Service	Pricing	NJC pay award - 4% provision was allowed within the 22/23 budget. When applying the 22/23 proposed pay award to the current structure this works out on average as 6.4% increase before any assumed pay award in 23/24. This pressure represents the budget uplift in 22/23 for the proposed pay award before any future awards	3558	122	126
Non-Service	Pricing	Pension Deficit - Estimated 2.6% increase over the next 4 years from 2024/25. This assumes that employer contributions will increase to 24.8% by the end of the 4 year period. If the funding available to the council improves during this time would look to bring forward/ accelerate the increase.	0	537	537
NEW BUDGET INVESTMENTS TOTAL			12,795	1,307	1,748

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Agreed/ Revised Investments

Service Group	Category	Proposal Title	23/24 (£'000)	24/25 (£'000)	25/26 (£'000)
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ENVIRONMENT & SUSTAINABILITY

Environment & Public Protection	Other	Climate change - Investment in EV/ energy/ fleet decarbonisation	44	0	0
Housing & Communities	Other	Homelessness officer	11	0	0
Environment & Public Protection	Investment	New Household Waste Recycling Centre (HWRC) - The opening of a second HWRC supports the corporate plan and the waste strategy.	0	0	300
Environment & Public Protection	Other	Sustainable Waste Management Grant - based on estimated reduction in grant funding across Wales. The impact on NCC is yet to be confirmed so could be subject to change	50	50	0

ENVIRONMENT & SUSTAINABILITY

Environment & Public Protection	Other	Closure of asbestos cell - The cell has closed therefore resulting in loss of income. There is likely to be a small reduction in cost which has the potential to reduce the required investment.	139	0	0
Environment & Public Protection	Other	Cemeteries - 4 x cemetery liaison officers	35	0	0
Infrastructure	Other	Highways - Asst structural engineer, highways planning and H&S officer	35	0	0
Environment & Public Protection	Other	Cleansing - increased provision in the city centre	50	0	0
Environment & Public Protection	Other	Parks/ play areas - maintenance and replacement of equipment	150	0	0
Environment & Public Protection	Other	Additional Environmental Health officer	11	0	0

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TRANSFORMATION & CORPORATE					
People, Policy & Transformation	Pricing	Norse JV - Increased contract payment as a result of assumed uplift each year.	89	92	0
People, Policy & Transformation	Pricing	Shared Resource Service (SRS) - Increased contract payment as a result of assumed pay award	35	35	0
People, Policy & Transformation	Other	Health & safety posts	81	0	0
Law & Standards	Other	Electoral reform	10	0	0
Finance	Other	Accountancy	15	0	0
Regeneration & Economic Development	Other	To fund the full year impact of the newly created City centre manager	16	0	0
Regeneration & Economic Development	Other	Destination management - place marketing	14	0	0
Regeneration & Economic Development	Other	Tourism - promotion of the city	13	0	0

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NON SERVICE

Non-Service	Capital Financing - other	Capital Programme - To fund the capital financing costs of the current (in principle) capital programme. Investment required to meet the promises set out in the Corporate Plan	0	208	0
AGREED/ REVISED BUDGET INVESTMENTS TOTAL			2,750	2,393	1,580
BUDGET INVESTMENT TOTAL			15,545	3,700	3,328

Pressures Summarised:

Pressures by Type	23/24 (£'000)	24/25 (£'000)	25/26 (£'000)
New budget pressures	12,795	1,307	1,748
Previously agreed/ revised budget pressures	2,750	2,393	1,580
New and previously agreed/ revised pressures	15,545	3,700	3,328
Inflationary pressures (Inc increments)	29,717	21,934	19,912
TOTAL BUDGET PRESSURES	45,262	25,634	23,240

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