

Report

Council

Part 1

Date: 28 February 2023

Subject 2023/24 Budget and Medium Term Financial Plan

Purpose To review and agree the Council's council tax increase for 2023/24, resulting from the Cabinet's total net revenue budget requirement agreed at their meeting on 15 February 2023; and agree the resulting council tax resolution for 2023/24.

Author Head of Finance

Ward General

Summary Following recommendation by Cabinet of their 2023/24 budget requirement, the Council needs to review and decide on the level of resulting council tax for 2023/24.

Cabinet met on the 15 February 2023 and finalised detailed budget recommendations. This report sets out their recommended overall 2023/24 budget, resulting service cash limits and council tax increase and the council's general reserve and contingencies. An increase in council tax of 8.5% (to £1,380.13 per annum at Band D) for Newport City Council is recommended. An 8.5% increase on council tax is an increase of £1.62 per week, £1.85 per week and a £2.08 per week increases for Band B, C and D properties respectively.

Building on the medium term projections approved in March 2022, the budget process has presented a distinct set of challenges this year, building on the unprecedented circumstances of the last few years, and the drastic economic changes and inflationary increases on a scale never seen before. From this, Cabinet have approved a package of investments and savings and are recommending a council tax level to Council which will balance the budget for 2023/24.

The Council's business and financial planning is underpinned by the Council's Corporate Plan. The Council has recently approved its new Corporate Plan, and this will be supported by a Transformation Plan and other plans to achieve the outcomes within it. Whilst this will form a key part of the strategy for addressing the budget gap in the future, it will not in itself deliver the quantum of savings required over the medium term. Therefore, further work is required to build a budget and transformation strategy that ensures sustainable services and financial stability.

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Proposal Council is asked:

Revenue budget and council tax 23/24 (section 2-8)

- 1 To note that an extensive consultation exercise has been completed on the 2023/24 budget proposals. Cabinet have taken this into account in recommending final details of their budget
- 2 To note the Head of Finance's recommendations that minimum General Fund balances can be maintained at a level of at least £6.5million, the confirmation of the robustness of the overall budget underlying the proposals, subject to the key issues highlighted in section 7
- 3 To consider and approve a council tax increase for Newport City Council of 8.5%, a Band D tax of £1,380.13; and the 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 plan (MTFP) (section 5)

- 5 To note the MTFP and the uncertain financial challenges over the medium term in the context of economic challenges, increasing demand within service areas and potential financial issues on school budgets
- 6 To note Cabinet's approval of the implementation of the three-year plan, including all budget proposals, as summarised within the medium term financial plan (Appendix 4). Considering point 5 above it should be noted that financial projections are subject to on-going review and updating
- 7 To note and approve the Council's reserves strategy and transformation fund protocol. Estimated reserve balances as of 31 March can be found within Appendix 5a

Action by Head of Finance – 2023/24 council tax billing and detailed budgets to be prepared in line with recommendation.

Timetable Immediate
This report was prepared after consultation with:

- Leader of the Council
- Chief Executive
- Strategic Directors
- Head of Law and Standards
- Head of People, Policy and Transformation

Signed

1 Background

- 1.1 The draft budget proposals for 2023/24 have been subject to public consultation. The proposals have been consulted on through a range of stakeholder groups as set out in paragraph 6.1.
- 1.2 The Welsh Government (WG) draft settlement was received on 14 December and confirmed that funding would increase by 8.88% for 2023; additional funding of £11.7m, over and above that already assumed. This was a welcomed uplift as it enables the Council to support a growing population, support major cost and demand pressures that the Council continues to face during a challenging economic period; however, it was not sufficient to mitigate, in full, the extent of the financial challenges being faced. Therefore, this confirmed that a budget gap of over £4m as shown below:

	2023/24 £'000
Budget gap December	16,078
Draft settlement +8.88%	<u>(11,738)</u>
Revised budget gap	4,340

- 1.3 Since then, the MTFP has remained under constant review with revised planning assumptions in relation to cost pressures, schools contribution towards the budget gap and new savings with no service impact being incorporated into the position. At this point, Cabinet were given some financial flexibility to meet spending priorities and respond to public consultation by allocating £2.5m 'cash in hand' balance at the February Cabinet meeting. It was at this stage that the overall net budget requirement and resulting council tax was agreed for recommendation to Full Council. The overall package of investments for 2023/24 is set out in section 4.

	2023/24 £'000
Revised budget gap (as above)	4,340
Schools contribution to overall gap	(8,475)
Change in budget assumptions	5,206
Non service budget reductions	(1,840)
Reduced service pressures	<u>(1,695)</u>
Revised budget (surplus)	(2,464)
Investments following consultation	<u>464</u>
Balance	Nil

** Details of the above can be found in the February 2023 Cabinet report*

- 1.4 The Council's final settlement will be announced on 1 March 2023. Apart from late transfers of specific grants into / out of the final settlement, which should be neutral in their impact, no other changes are anticipated. Cabinet have, therefore, agreed final budget proposals and recommend a council tax level to Council based on the draft settlement.
- 1.5 The next section explains the link between the medium term outlook and how this translates into the requirement on the Council to set a balanced budget.

2 Finalising the budget

- 2.1 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 three to four years. A key part of the review is to ensure that key priorities are included.

- 2.2 The Council has recently approved its new Corporate Plan, and this will be supported by a Transformation Plan and other plans to achieve the outcomes within it. Whilst the Transformation Plan is in the development stage and, in due course, when implemented, will form a key part of the strategy for addressing the budget gap in the future, it will likely not in itself deliver the quantum of savings required over the medium term. Therefore, further work is required to build a budget and transformation strategy that ensures sustainable services and financial stability.
- 2.3 Whilst Cabinet are responsible for the detailed spending plans, the council tax level underpinning the overall budget requirement is approved by Council. The proposed budget is included within Appendix 1 and is based on detailed proposals approved by Cabinet on 15 February. Members have also had sight of the budget proposals previously via the Council's Scrutiny Committees in January. The detailed proposals can be found appended to the Cabinet [agenda](#) (weblink).
- 2.4 Council should note that Cabinet continues to take a strategic and medium term view and has done so by approving all budget investments and savings as part of the implementation of the Council's three-year plan. These have been summarised within the MTFP shown in Appendix 4.
- 2.5 A key part in considering and agreeing the annual budget and MTFP are the financial resilience issues and how the budget deals with key risks. These were considered in detail by Cabinet on 15 February and are outlined below in this report for Council.

3 Welsh Government funding

- 3.1 As the result of the final settlement not being known at the time of writing, Cabinet have finalised the 2023/24 budget based on the funding position made up of the draft Aggregated External Finance (more commonly referred to as the "Revenue Support Grant – RSG"), the confirmed increase in the Council's tax-base and a requirement for an 8.5% increase in the council tax rate, as recommended to Council.
- 3.2 Although councils have until 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 collection of Council Tax and therefore the Council's cash flow.

4 2023/24 budget requirement

- 4.1 Funding levels for service areas, based on the final proposals, are shown in Appendix 1 with the detailed budget investments and savings shown in the February Cabinet report.
- 4.2 The allocation of the £2.5m 'balance in hand' was agreed during the February Cabinet meeting and is included and reflected within the overall package of investment and savings set out below.
- 4.3 Proposals for 2023/24 include over £48m of budget investments / pressures (including inflation). The most significant areas of additional expenditure are linked to:
- £14,597k gross investment in school budgets. Despite c£7m permanent net investment in the ISB plus an extra £2m one off funding for targeted intervention and support in 2023/24, it is recognised that this does leave schools with some challenges to face heading into next year;
 - £13,857k investment in social care which includes funding to pay care workers the Real living Wage from April 2023, additional provision to cover the risk of higher on-going costs in the sector and significant increased demand for both children's and adult services;
 - £3,576k for homelessness provision to support WG directive to ensure that there are no rough sleepers in Newport;
 - £1,729k to make good the shortfall in the NJC pay award for 2022/23

- 4.4 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 2023/24. Specific grants are a key element of Council's funding which often assists in supporting core service delivery. As noted within the February report, it is likely that a number of grants will see real term decreases in funding during 2023/24 and 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 be able to absorb the impact within existing resources. This may involve reducing/stopping services that WG specific grants no longer fund. These grants will be included within service areas budgets once the value and conditions are known.

5 Medium term financial plan (MTFP)

- 5.1 The MTFP is the articulation of the Council's financial challenges and includes the savings currently identified over the next three years. The Council is required to set a balanced budget each year and this year it was evident that it was not possible to balance the 2023/24 budget through efficiencies alone but instead the identification of savings that would impact on front line service delivery. The Head of Finance will continue to work with the Corporate Management Team and Cabinet to develop the budget strategy over the medium term to ensure the following issues and uncertainties are accounted for as appropriate:

- the economic challenge, in the context of major cost and demand pressures. The cost of living and energy crisis and the lasting impact that current levels of inflation have on future pay and other cost pressures;
- increasing demand within service areas over and above provision already made within the MTFP;
- potential financial issues on school budgets.

- 5.2 Whilst the Council has recently approved its new Corporate Plan, the supporting Transformation Plan is in the development stage and whilst this will form a key part of the strategy for addressing the budget gap in the future, it will not in itself likely deliver the quantum of savings required over the medium term. As part of this the development of a detailed delivery and implementation plan with potential savings is required. The current medium term financial projections are included in Appendix 4.

6 Budget consultation

- 6.1 The budget proposals agreed by Cabinet in December have been consulted on through a range of stakeholder groups and formats, which are as follows:

- With Trade Unions via the Employee Partnership Forum on 19 January 2023;
- With all Scrutiny Committees in their January 2023 meetings where Members discussed the detailed investments and savings proposals, plus the MTFP;
- With the Schools' Forum on 19 January 2023;
- With the public from 14 December 2022 to 2 February 2023;
- Engagement with Newport Fairness Commission

The detailed results of the consultation were shared at the February Cabinet meeting. In summary, there was a degree of understanding of the situation decision-makers within the Council face and whilst it was clear that there was support for some proposals, some of the qualitative comments were pertinent and this feedback was responded to within the February Cabinet meeting. In terms of Council Tax, whilst a significant majority of the public were not in support of the 9.5% increase consulted upon, there was recognition that increases are unavoidable and that increases in the rate of Council Tax can enable vital services to be protected. Therefore, Cabinet recommended an overall budget which required a reduced council tax increase of 8.5%, which was below the current rate of inflation.

Fairness and Equality Impact Assessments (FEIAs)

- 6.2 In line with the Council's legal duties as set out in the Equality Act 2010 and the Welsh Language (Wales) Measure 2015, all budget proposals have undergone a full equality impact assessment, which have been updated to reflect public consultation responses.
- 6.3 As part of the budget process, equality implications are considered for all budget proposals and where necessary an EIA carried out by the relevant service manager, supported by the council's policy team. These were updated, as necessary, following the budget consultation exercise and used by the Cabinet in their final budget decisions in their February meeting.

7 Risk, reserves, financial resilience, and performance

- 7.1 A key driver in the budget strategy and MTFP framework is the need to manage the Council's general and financial risks, its financial resilience and performance. This next section looks at these issues and identifies how they are dealt with, whilst considering how they influence the Council's 2023/24 budget and medium-term projections.

Risk

- 7.2 The Council maintains a corporate risk register, which is regularly reviewed by the Corporate Management Team and Cabinet, as well as the Governance & Audit Committee from a procedural / risk management framework viewpoint. The Council's budget strategy and MTFP framework needs to reflect risks and incorporate appropriate financial mitigation, where required.
- 7.3 The quarter 2 corporate risk register reported to December Cabinet identified 16 risks that are considered to have a significant impact on the achievement of the Council's objectives and legal obligations. Overall, 8 of these risks are severe and in many cases link the issues set out within the economic context and earlier sections of this report. In some cases, it is increasingly difficult for the Council to effectively prepare and quantify the financial impact of some of these risks until outcomes are known. There are several risks identified in the risk register that to fully mitigate would be unaffordable. In these cases, the risk is identified, and the Council needs to consider and assess how best to mitigate and continue lobbying WG to provide more funding in these areas, as these risks are not unique to Newport. These areas do, however, continue to be monitored closely to ensure that where information is available these risks are considered and where appropriate factored into the Council's financial planning.
- 7.4 Three current risks in the corporate risk register with significant uncertainty are (i) stability of social services providers, (ii) pressures on adult services and (iii) pressure on delivery of children services and in the case of challenges facing social care have already been considered within the February Cabinet report.
- 7.5 Outside of the risk register, there are also other key budget related issues and risks which the Cabinet's attention has been drawn too:
- Uncertainty on the adequacy of pay provision for 2023/24 financial year, given on-going disputes and the trajectory of the National Living Wage.
 - The inherent risk in delivering a quantum of savings which is far higher than any previous year, particularly those relating to schools.
 - Further demand increases in Council services, in particular social care and housing
- 7.6 In the context of the challenging economic climate, the budget has the following areas of mitigation which may be required to support the challenges set out above.
- existing revenue contingency budget £1.373m;

- existing revenue budgets not yet committed, and which are set aside to manage revenue budget risks in the short term c£1m;
- specific reserves earmarked for general budget risks, including the 'pay reserve' and residual covid risk reserve at £2.3m;
- investment in revenue budgets agreed by Cabinet in those demand led areas, and which have given rise to overspending in the current 2022/23 year – social care children's placements, homelessness, and adults social care. These have been made at a level which meets the current demand levels.

Reserves

- 7.7 In terms of contingencies and reserves, the Head of Finance has reviewed these in their totality in conjunction with the base budget and the financial risks associated with delivering the budget in 2023/24. This review incorporates a medium term view and considers key developments that may affect the need for and use of one-off resource.
- 7.8 Protection against budget risks is provided through earmarked reserves and contingencies. In addition, the Council has a number of earmarked reserves for known, but not always easily quantifiable, financial risks.
- 7.9 An analysis of projected earmarked reserves can be found in appendix 5.

Financial resilience

- 7.10 A robust view is 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 health of the Council currently. Key headlines include:
- Earmarked Reserves: Although the Council's reserves have increased in recent years, these are earmarked for specific purposes. However, as a last resort they do provide some mitigation but use of them means that the original purpose would be affected and/or would result in a budget pressure to build those reserves up again, as well as delaying the identification of recurring mitigation/savings for the identified budget gap.
 - Revenue Contingency budget – General Reserves: The contingency base budget and other specific risk reserves held by the Council are taken into consideration when assessing the level of the general reserve and help to mitigate the risk to the Council. The general reserve is increasingly becoming too low, as the Council's net budget increases each year but can be maintained at that level at this point due to the overall level of reserves which, in the last resort, provide more than adequate financial mitigation, albeit with resulting impacts as noted above.
 - School budgets- Reserves: Although the position in relation to school reserves has improved over the last couple of years, this is likely to be a temporary improvement due to significant one-off grants being awarded at the end of last financial year. The forecast net spend against school budgets this year will see reserve balances reduce to £10,453k by the end of this financial year, though this could change in the last quarter as so often is the case if new grants are received.
 - Current budget savings-managing the revenue budget – demands on the revenue budget: The Council has identified and continues to monitor budget reductions of £800k in 2022/23 and whilst understandable delays in delivery is evident, HoS have confirmed they can and will be implemented. This is alongside delivering outturns within and under budget over recent years, despite the delivery of £25m savings over the last 5 years. This needs to be viewed within the context of continued significant demands which are faced by service areas, namely

children’s social care and schools, which have been highlighted throughout the year as part of the budget monitoring process.

- 7.11 The Council is developing a strategic transformation programme and has its ‘transformation plan fund’ (previously invest to save) reserve to fund the one-off cost of change. The programme is integral to developing ongoing financial sustainability whilst also ensuring key services can be delivered.
- 7.12 Overall, whilst there are some underlying issues and challenges, the Council’s financial resilience remains strong, and it has financial capacity to develop and change services in response to continuing pressure on funding and increased demand for services.
- 7.13 The base general budget contingency, other temporary revenue budget contingencies, alongside the level of recommended general and earmarked reserves reflect the overall potential financial risk associated with delivering the budget in 2023/24. Whilst there is significant uncertainty around a number of on-going risks at this point, these provide sufficient capacity in total to cover financial risks. In light of this approach, the Head of Finance, as part of his S151 responsibilities, is content that the 2023/24 overall budget as proposed is robust.
- 7.14 Council are also requested to approve the reserve strategy, incorporating the Council’s Transformation Fund as part of the annual budget setting process. The reserves strategy and invest to save protocol are included within appendix 6

8 2023/24 proposed Council Tax

- 8.1 Newport continues to have one of the lowest council tax rates in Wales, amongst the lowest in the UK. 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 the starting position is lower.
- 8.2 Cabinet have recommended an 8.5% council tax increase to Council. This would result in a Band D council tax of £1,380.13, which is an increase of £2.08 per week for Band D properties. Although the draft 2023/24 settlement was a welcomed uplift as it enables the Council to support a growing population, support major cost and demand pressures that the Council continues to face during a challenging economic period, it was not sufficient to mitigate, in full, the extent of the financial challenges being faced. Therefore, the key consideration for Cabinet has been to ensure that the correct balance has been found between council tax increases and the level of savings.
- 8.3 Based on the recommended 8.5% council tax and the changes to the draft report outlined in 4.1 above, the table below illustrates the net budget and funding recommended by Cabinet at its meeting on 15 February 2023.

Table 1: 2023/24 available and required budget

The table below shows the available and required budget funding with an 8.5% increase in council tax. In setting council tax, the Council needs to be aware of the need to set a balanced budget.	
Council Tax at Band D at 8.5%	£1,380.13
Budget requirement	£000
Base budget 2022/23	343,012
2023/24 Inflation	36,071
2023/24 use of reserve ‘movement’	119

DRAFT BASE BUDGET 2023/24 (before investments/savings)	379,202
2023/24 Budget investments – (£12,617k (inc. increase of £1,081k required in council tax benefit based on 8.5% council tax increase)	13,698
2023/24 New budget savings	(19,535)
DRAFT BASE BUDGET 2023/24	373,365
Draft funding available	
Draft WG settlement	289,211
Current council tax at new tax base	76,626
Increased council tax @ 8.5%	7,528
Total	373,365
Balance	-

- 8.4 The final budgets, as detailed in Appendix 1, incorporate the above recommendations. In finalising the budgets from the draft, Cabinet were aware of the key messages/concerns/support coming out of the consultation.
- 8.5 The Cabinet was also mindful of the need to balance the interests of service users with taxpayers given the current economic climate and the financial challenges that are being faced by residents. In addition, it should be noted that the council tax, even with the increase recommended, would still be lower than most (if not all) other Welsh authorities.

Community / Police precepts and Council Tax calculation

- 8.6 The ultimate 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 15 February 2023.

Risks

Detailed financial risks are included in the various sections of the report and appendices where applicable.

Risk Title / Description	Risk Impact score of Risk if it occurs* (H/M/L)	Risk Probability of risk occurring (H/M/L)	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?
Previously agreed budget savings not delivered	L	L	(i) robust budget proposal process (ii) robust budget monitoring (iii) programme governance (iv) service planning (v) retention of reserves and budget contingency	Head of Finance/ Heads of Service
Budget savings not delivered on time leading to in year overspending	M	M	(i) robust budget monitoring (ii) programme governance (iii) retention of reserves and budget contingency	Heads of Service Head of Finance
Unforeseen pressures	H	H	(i) retention of reserves and budget contingency (ii) robust budget review	Head of Finance/ 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 2023 budget report.

Options Available and considered

The Council must approve a recommended council tax and resulting overall revenue budget for 2023/24.

Preferred Option and Why

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

Comments of Chief Financial Officer

The 2023/24 budget has been very challenging, and Cabinet approved a balanced budget on 15 February, requiring a Council Tax increase of 8.5%. As the report highlights, my assessment of the budget, as required by law, has been positively influenced by the availability of revenue budget contingency and ultimately, the availability of reserves, in the last resort. These are spelt out in detail in section 7 of the report. The budget estimates are as reasonably robust as they can be under the circumstances, which is to say, the significant uncertainty on 2023/24 pay, especially within the teaching profession and coupled with very significant saving targets to deliver, again especially in schools, giving rise as they do to significant increases in risks.

The Council has a good track record of spending within its available budget and services will need to take great care to manage budgets as robustly as they can in 2023/24 and in that respects, major budget overspending areas and issues have been dealt with in this budget.

Comments of Monitoring Officer

The Revenue Budget Report and MTFP have 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. 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 2023/24. However, the approval and implementation of the individual investment proposals within the Report are executive matters for the Cabinet and the Heads of Service, in accordance with the scheme of delegation, provided that they are in accordance with the general budget framework set by the Council.

Comments of Head of People, Policy & Transformation

The Budget and Medium Term Financial plan considers the implications and opportunities in the deployment of resources across a range of functions and services over the next three years. This is set against a backdrop of highly challenging financial pressures which have created a difficult environment and increased financial uncertainty. This is despite the Council having received a relatively favourable draft funding settlement from Welsh Government.

As outlined in the report, opportunities have been made available for the public to express their views through the consultation process and these were considered by Cabinet in the proposals. All staff potentially affected by the budget proposals have been consulted with, or will be as and when necessary, and the relevant trade unions have made representations as outlined in the Cabinet Report.

The Councils workforce will be impacted by a range of proposals to deliver services in different ways and wellbeing support will become more integral in supporting the workforce to adapt to the challenges ahead.

The Local Authority is required to ensure it considers the impact of decisions made today on future generations and protected equalities groups. This has been done through Fairness and Equality Impact Assessments.

Scrutiny Committees

All detailed proposals were reviewed by all Scrutiny Committees in their January 2023 meetings, as part of the wider budget proposals consultation undertaken and considered by Cabinet.

Fairness and Equality Impact Assessment:

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

The link to Fairness and Equality Impact Assessments (FEIAs) for individual savings proposals was appended to the February Cabinet report.

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”.

Long term - The medium-term approach that is in place for financial planning within the Council is intended to bridge the gap between longer-term strategic aspirations and sustainable development concerns with the more immediate pressures of setting a balanced budget each year.

Prevention – Taken as a whole the proposed investments are geared towards sustaining preventative type services and focussing on some of the most vulnerable groups which should have the greatest impact over the longer term and will help to prevent negative outcomes getting worse.

Integration – The budget and medium term financial plan has the overall aim of balancing resource allocation across services to support the range of strategic priorities and the delivery of the Council's change programme whilst ensuring financial sustainability.

Involvement – The budget is informed by insight gained from public engagement work, including previous budget consultations. Pre-budget public engagement on the relative prioritisation of Council services has informed the proposed budget investments. Newport Fairness Commission along with other stakeholders will be engaged as part of the consultation.

Collaboration – Whilst the budget and medium term financial plan is a Council owned document it recognises that services are increasingly delivered in a collaborative public sector landscape with a greater emphasis on regional working e.g., through Corporate Joint Committees, Gwent-wide and South East Wales based partnerships.

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 and with the Council's Fairness Commission.

Consultation

Wide consultation on the budget has been undertaken, as outlined in section 6 of the report.

Background Papers

Final Budget and MTFP: Final Proposals – 2023/24 presented to Cabinet on 15 February 2022.

Dated: 22 February 2022