

Report

Cabinet

Part 1

Date: 15 May 2024

Subject Newport City Council response to external pressures impacting Council services

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

Author Policy and Partnership Manager

Ward All Wards

Summary This monthly report provides an update on the external pressures facing the Council which include the cost-of-living crisis and pressures on housing and homelessness services across Newport.

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

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

Action by Executive Board and Corporate Management Team

Timetable Immediate

This report was prepared after consultation with:

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

Signed

Background

This report informs Cabinet members about the main challenges that Newport communities, businesses, and council services are facing, as well as how the Council is collaborating with our partners and communities to help those who need it across the city.

According to a report by the [Office for the National Statistics](#) this month, inflation has fallen to its lowest level in two-and-a-half years, driven largely by slowing food price rises. This was due to the cost of some food and other household costs falling. However, petrol and diesel prices rose, and it is worth noting that lower inflation does not mean prices overall are coming down, they are just rising less quickly.

The latest [Public Opinions and Social trends](#) report, released on 12 April 2024 by the Office for National Statistics, found that a quarter of adults reported they had to borrow more money or use more credit than usual compared to a year ago.

Survey results also report that when asked about the principal issues facing the UK today, the most commonly reported issue was the cost of living, particularly among younger adults.

Locally, results of a consultation with young people across the city by Newport Youth Council completed by 152 people showed that the cost of living including increasing costs, financial education, and affordable transport was the most important issue to them.

NCC and Partner Cost of Living Support

With the cost-of-living crisis continuing to impact upon our residents, staff, and businesses, officers across NCC remain committed to collaborating with internal and external partners to provide advice, guidance, and support.

The NCC Cost of Living Team have engaged with 3,028 people in the last quarter of 23/24 across twenty-seven events. They are proactive in offering and sharing a range of cost savings advice to support individuals to manage their day-to-day challenges arising from the cost-of-living pressures.

The NCC led cost of living partnership group continues to meet to share observations and experiences within organisations. There was a specific focus in last month's partnership meeting on food poverty, challenges facing foodbanks and how to bring improved co-ordination to accessing unsold supermarket foods. Mapping of current provision across the city is underway and a working group within NCC will be identifying a clear local action plan in response to this issue.

Organisations including NCC continue to highlight how the cost-of-living challenges are impacting on staff, demonstrating how those working families also acutely feel the impact of rising prices. This serves as a reminder to consider and support workforce wellbeing, with NCC offering a range of support for its staff.

Specific examples of activities and support offered during this period included:

- Dissemination of 172 carers shopping vouchers during March and early April
- Facilitation of Think Wise Live Wise surgeries
- Free Easter Family Fun Days with 619 people participating
- Dissemination of Trussel Trust Crisis Food Parcels
- Support to foodbanks who support 262 households a month in Moorland and Beaufort.
- Provision of 259 household care packs and sixty-six hygiene packs during the Easter break.
- Allocation of £50 Love to Shop Voucher to families in household budget deficit, especially in working family homes.
- Equipment support to families in need to eat healthily and reduce utility costs including heated air dryers, heated blankets, air fryers, slow cookers, and kettles.

Further information on the support available can be found on the 'How we can help' pages of our [website](#), from our social media accounts and by emailing costofliving@newport.gov.uk.

Council Tax

The Council Tax Team continue to offer flexible payment solutions to those experiencing financial difficulties and encourage residents to make contact at the earliest opportunity so that measures can be put in place to prevent arrears building up. Social media posts timed to coincide with the arrival of new council tax bills for 2024-25 have also raised awareness that the bill can be spread over twelve months to aid household budgeting, especially if combined with paying by direct debit. Residents who would like to pay in this way can make the change using the links on the Council's website or by contacting the Customer Contact Centre.

The local housing allowance (LHA), which are the rates used to calculate housing benefit for tenants renting from private landlords, has been increased by the Department of Work and Pensions (DWP) for the first time in four years. As a result, the amount of housing benefit that can be paid to private tenants will increase from April 2024. This should reduce some of the problems caused by rapidly increasing private rents and housing benefit levels that are significantly lower. In addition the amount awarded to Newport City Council by the DWP for discretionary housing payments (DHP) has remained the same as in 2023-24, as the LHA rate has been increased it is anticipated that fewer 'top-up' payments will be required which should enable the fund to be used to help more vulnerable households overall.

Education

Supporting pupils and their families during this period is a continued focus within our education department and schools with educational achievement being one of the routes into employment and out of poverty.

During this period, an analysis of the uptake of free school meals has shown that uptake is above 70% in all sectors (Primary, Secondary, Universal Primary) and above 80% in the Special sector.

This month also saw five new Unaccompanied Asylum-Seeking Children (UASC) have arriving in Newport being jointly supported by Social Services and Education to secure appropriate education provision. This will include flexible options such as partnership working with Coleg Gwent, or online learning opportunities supported by Gwent Education Minority-ethnic Service.

As mentioned in last month's report, Welsh Government Community Focused Schools grant funding has been allocated to all schools across the city – this funding will support the continuing work of Family Engagement Officers, within the following expectations:

- Establish and foster good relationships with families of children and young people at the school.
- Ensure the school is welcoming to families and take steps to get to know them.
- Encourage and support parental involvement in the school and engagement in children's learning.
- Promote and facilitate opportunities for adult and community learning.
- Make a range of communication methods available, appropriate to the family's needs and preferences.

Homelessness and Financial Resilience

In common with Local Authorities across Wales and the UK housing and homelessness pressures in Newport continue to be acute. These have a significant impact on people's lives and, with restrictive Housing Benefit Subsidy, local authority budgets.

The council's Housing and Communities Service have restructured the frontline housing service and officers are currently undergoing an intensive training program to deliver more trauma informed services with a key focus on homelessness prevention. A key aspect of this new service will be that clients will have one officer from the point they approach the council because they are threatened with homelessness until they are moved into settled housing.

Newport is one of only six councils from across the UK working with the Royal Foundations Homewards Program. Through a local coalition the Homewards program is supporting the council to deliver effective interventions to mitigate the impact of homelessness on families, children, and women as well as upstreaming multi agency preventative activity. NCC continues to collaborate closely with Registered Social Landlord (RSL) partners to provide much needed social housing and private rented accommodation. The council has so far taken on four properties with another sixteen in the pipeline for the Leasing Scheme Wales project and is keen to hear from as many landlords as possible.

The Multiply Housing Project helps people use numeracy to manage their money to prevent and relieve homelessness. One to one and group sessions have been established to offer a range of support including personal budgeting, tenancy sustainment, improving numeracy skills, debt management, income maximisation, food, and fuel poverty. As part of the project NCC will be offering people affected by homelessness the opportunity to obtain entry level one and two qualifications contributing to long term resilience against future homelessness.

The Financial Inclusion Team take referrals from the Newport Gateway. Those referred require additional support with financial matters that may affect their ability to manage or access accommodation. This work assists in preventing homelessness through maximising welfare benefits, supporting with benefit appeals, accessing government and charitable grants, addressing debt, rent and mortgage arrears, advising on utilities' social tariffs, information and providing advice about credit unions and savings schemes. Signposting to other specialist advice agencies is also undertaken, alongside work on payment plans and budgeting.

Ukrainian Support Scheme

There are currently 143 households supported through the Ukrainian Support Scheme with six guests due to arrive in the next couple of months. Any new visas issued where the applicants submitted their application after the 19 February 2024, will only receive an 18-month visa and 18 months of Thank You Payments. Of the current Ukrainian guests in the city, forty-eight are living in hosting placements. Officers are now focusing on reassessing cases and identifying support and long-term accommodation solutions.

Ukrainians currently in UK

As detailed in last month's report, Ukrainian citizens are no longer able to sponsor family members into the UK through 'chain sponsorship' which has led to a reduction in the number of applications to the authority. The UK Government has announced that Ukrainians are now able to apply for an 18-month extension to their visa when the three years ends, for some, in the Spring of next year. This will be known as the Ukraine Permission Extension scheme. It is unknown whether this will attract Thank You Payments if the family is still in hosted accommodation. Officers are monitoring the situation closely, and working with the families to assist them with ensuring that they have financial viability to be able to move on if needed.

Risks

Risk Title / Description	Risk Impact score of Risk if it occurs* (1-5)	Risk Probability of risk occurring (1-5)	Risk Mitigation Action(s) What is the Council doing or what has it done to avoid the risk or reduce its effect?	Risk Owner Officer(s) responsible for dealing with the risk?
Cost of Living impact on Council services	4	4	See this report on the Council's response to the cost-of-living crisis.	Corporate Management Team
Homelessness and housing concerns across the city.	4	4	See this Report on the Council's response to these issues	Corporate Management Team, Head of Housing and Communities,

				Director of Social Services
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* Taking account of proposed mitigation measures

Links to Council Policies and Priorities

- Corporate Plan
- Strategic Equalities Plan

Options Available and considered.

1. To consider and note the contents of the report on the Council's response.
2. To request further information or reject the contents of the report.

Preferred Option and Why

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

Comments of Chief Financial Officer

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

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

Comments of Monitoring Officer

This report is for noting only and there are therefore no legal implications arising directly from it.

Comments of Head of People, Policy, and Transformation

Our residents and staff are still feeling the effects of the cost-of-living crisis, and this report demonstrates how we are working together to help lessen the impact where possible. We keep on cooperating closely with our workforce and service areas to deal with and support any HR issues during this period.

Officers and partners follow the principles of the Wellbeing of Future Generations Act, collaborating with partners to provide immediate assistance as well as a long-term emphasis on resilience involving our citizens to understand what is important.

Scrutiny Committees

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

Fairness and Equality Impact Assessment:

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

• Wellbeing of Future Generation (Wales) Act

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

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

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

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

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

- **Equality Act 2010**

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

- **Socio-economic Duty**

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

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

All information is provided bilingually.

Consultation

Not applicable

Background Papers

Monthly reports to Cabinet.

Dated: 9 May 2024