

Build forward better

Our medium-term plan for 2021-22 and 2022-23



let's talk
Newcastle

Newcastle
City Council 

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1. Foreword from Leader of the Council, Councillor Nick Forbes



This budget consultation starts at a time of huge uncertainty, in the midst of an international pandemic and national political turmoil. The COVID crisis means that the local government finance settlement, normally published in December, will only be a one-year Spending Round as the Chancellor's Comprehensive Spending Review was curtailed. This makes planning for the future of our city even more difficult.

The government promised to do 'whatever it takes' to ensure that councils and our communities were supported through the crisis. However, it is clear that they have broken that promise and that working people will have to carry the can for its incompetence, and the billions of pounds of waste and mismanagement they have presided over. They are forcing Council Tax rises and threatening pay freezes for some of our most valued key workers. The austerity of the last decade is far from over. Newcastle has lost £305 million since 2010, £2,270.92 per household, and Coronavirus has cost councils across the country over £11 billion this year alone. The government have so far refunded less than half of that. They have done nothing to fundamentally change the fact that councils will be forced to make severe cuts in 2021 to balance their books.

There is yet again an assumption from government that councils will increase Council Tax and make full use of the adult social care precept. We are faced with the difficult choice to increase Council Tax and use the 3% adult social care precept increase to help towards the rising cost of caring for older people and some of the most vulnerable in Newcastle.

Nevertheless, we remain confident that we can improve services, facilities and the environment. Our proposals maintain commitments to upgrade play parks and push forward with our ambitious climate change initiatives through the net zero action plan. Our vision for a net zero city by 2030 is the foundation for our economic vision to Build Forward Better - doing our best to both protect current jobs and create new ones at pace.

Our commitment to transform many of our care services, working in collaboration with our stakeholders in the city as part of a new partnership, will make sure they are as effective and efficient as possible and have the best outcomes for anyone who uses them. However, the demand for support through these services outweighs the resources available. Campaigning for a national solution to the social care crisis will continue to form part of our lobbying to national government.

Businesses remain committed to our area and are looking to invest in Newcastle. Despite the setback that the COVID crisis has posed, we will continue to work with them to create more and better jobs. We face difficult choices, and we must decide how we best cut our cloth in these trying times. But, as ever, our commitment to maintaining Newcastle as a great city remains. Our optimism is lasting. We need to look to the future and Build Forward Better as we come through COVID together. Please share your views by getting involved in the consultation – I look forward to hearing from you.

2. Statement from the Chief Executive, Pat Ritchie



In this document we set out our new two-year medium-term plan for the council. Despite making good progress in the implementation of our previous plan, the impact of COVID-19 on both the city and the council means a new plan is needed, one that will help us to set a balanced budget, deliver the services our city needs, and support the city's recovery.

We have developed our plan in the most extraordinary circumstances this year. In the face of a global pandemic we have pulled together as a city, working across organisations and communities to respond to a unique and ongoing series of challenges. This has had a profound impact on all of our daily lives, and I want to thank our staff for the dedication they have shown to our residents throughout and for their commitment to keeping the city going.

Despite the continuing significant financial and economic challenges, our ambition for Newcastle is undiminished. We will continue to invest in care that protects and supports the most vulnerable in our city. We continue to deliver services to children and young people that give them the greatest chance possible of future success, in whatever they choose to do. And we continue to support our businesses and work to create the conditions for them to grow and thrive, generating new opportunities for our residents.

COVID-19 has required us to completely rethink how we deliver services, working flexibly and at pace. In the space of a week we created Newcastle Citylife Line to support our most vulnerable residents and harness the good will and voluntary support in the city. We worked quickly to establish wraparound support for care homes and other settings and mobilised staff and volunteers to supply free school meals during the holidays. And of course, the council's public health team has been at the forefront of supporting people in the city during the pandemic.

This ability to transform council services to deliver in new and innovative ways has been key to our resilience over a number of years and is at the heart of this plan. We will learn from the changes we've made to the way we operate as a result of COVID-19 as set out in the proposals we are putting forward for consultation.

The strength of the relationship with our communities and with our community and voluntary sector is also key to the success of this plan. We know that in the next two years we will have to go further and faster to develop and deliver services - working closely with our partners, communities and community providers to ensure our most vulnerable residents are supported.

Our strong collaboration with health, police, schools and other partners working through the City Futures Board has been invaluable in helping the city respond to the COVID-19 crisis. Collaborative Newcastle, a pioneering, people-focussed partnership between the council, our key health institutions and the voluntary sector, will work collectively and creatively to focus on tackling inequalities which have been worsened by the pandemic.

The impact of the crisis also represents a devastating economic shock for the country and the city. As we look towards recovery, we will direct our investment to create growth while we work to support our businesses - rebuilding confidence, securing private sector investment

and positioning the city to take advantage of new economic opportunities as they emerge. We will continue to lobby government to help cities like ours to recover. I look forward to the scale of investment taking a step-change over the next few years, using our capital programme in partnership with government and the North of Tyne Combined Authority to invest in our neighbourhoods, our city centre and the skills of our residents. In the face of what is likely to be a prolonged labour market downturn, these are all critical to helping our residents access jobs which our businesses continue to create.

We will only achieve our ambitions by working closely with communities, partners and businesses. This plan sets out what we will do together.

3. Financial assurance statement from Director of Resources, Tony Kirkham



The council must set a balanced budget each year. As the council's designated finance officer, I have a legal duty to report to City Council in March 2021 on the robustness of the council's budget and the adequacy of reserves.

The council has a strong track record of developing and delivering robust financial plans. In 2012, the council set out a three-year budget which left us better prepared to support the city through a prolonged period of reduction in public sector spending. In the face of continued austerity and the ensuing financial pressures we again produced a three-year budget in 2017, which looked forward to 2020. In 2019, we set out our approach to adapting to further anticipated budget reductions over the medium-term to 2022. This was against a continued very challenging fiscal backdrop, which has seen concerns raised about the financial sustainability of many high-profile councils, requiring specific government intervention.

The government set out its high level spending plans for 2021-22 in Spending Round 2020 on 25 November. This is the second year in a row that the government has reverted to a one-year Spending Round rather than providing local government with a level of medium-term certainty through a Comprehensive Spending Review which would normally cover at least a three-year period. As such it is vital that we take a pragmatic and prudent approach to setting the council's budget for 2021-22 with an eye to 2022-23.

My current assessment is that, although the council is facing some in-year pressures, Cabinet agreed appropriate management action in year in order to deliver a balanced budget for 2020-21. However, this may require calling on some of our reserves set aside for this purpose. The proposals set out can secure a balanced budget for 2021-22 and provide a firm basis for the development of the budget for future years.

Reserves, whilst relatively low, are adequate for the risks we face and can support the medium-term plan and transformation programme as set out. However, reserves are a one-off source of funding and the council needs to make permanent reductions in its net expenditure. As a result, reserves cannot be used to avoid permanent savings.

I am also confident that, subject to the approval of individual business cases, the plans outlined for capital investment can be funded through available capital receipts and resources, and the income or cost reductions from those investments.

4. The new medium-term plan for 2021-22 and 2022-23

2021-22 is the third year of our current medium-term plan which was approved by City Council as a basis for planning in March 2019.

So much has changed in the last few months, which has necessitated the creation of this new medium-term plan to cover the period 2021-2023. The impact of COVID on the council has affected every aspect of our operations including:

- unexpected costs incurred as a result of providing services to support the city's communities, especially those most vulnerable, through the pandemic, and increasing demand for a range of services, especially complex services such as adult social care (approx. £10.0m)
- a shortfall on planned savings agreed by City Council prior to the pandemic (approx. £10.0m)
- significant reductions in income as a result of the pandemic – from sources such as Council Tax and business rates (approx. £16.5m) and fees and charges from services (approx. £25.0m)
- the failure of government to fully recompense the council for expenditure committed in response to the pandemic

In all, the council is facing over £60 million of financial pressure as a result of COVID.

Our own financial uncertainty and the need for fair and sufficient funding is reinforced by the approach that government has taken to funding local government through the pandemic. The original commitment to fund in full any commitments made by local authorities fast vanished, and funding provided has tended to be in response to emergencies or political expediency. To date, government has funded £28.8 million plus an estimated £6.0 million from the income compensation scheme, just over half of the financial pressure we are facing.

The shift from a three-year comprehensive spending review to a one-year spending review creates further uncertainty for our finances beyond the 2021-2022 financial year. While the reasons for this change are understandable, they only add to the lack of clarity and impossibility of taking a long-term view of services and finance. Further, the Spending Review 2020 announced on 25 November 2020, featured several announcements relevant to our budget, including a 4.5% planned increase in Core Spending Power which assumes that councils will increase Council Tax and apply a 3% adult social care precept to Council Tax bills.

The details for many of the announcements set out in the Spending Review, including distribution and conditions of grants, remain unknown and may not be clarified until the Local Government Finance Settlement is confirmed. The provisional settlement will be published in December but will not be confirmed until February. Therefore, we must continue the pragmatic and cautious basis set out within this draft plan.

Our priorities remain keeping the council's finances on track, sustaining vital services, protecting the most vulnerable in the city, making prudent investments in future growth and assets, achieving savings and managing cost pressures. We are also making our first steps towards recovery, and as we look towards the future, we will work to stabilise our city's economy and get as many people back into work as quickly as possible.

Achieving these priorities is harder than ever, given the additional and unforeseeable cost pressures, significant income shortfalls and disruption to planned budget savings as a result of COVID. We must also be mindful of the potential impact of a no-deal or limited trade deal when the transition period following the UK's exit from the European Union concludes on 31 December 2020, and the way in which COVID might have an impact on demand for our services in the medium to longer term.

The impact of COVID means that some of the savings we had planned to deliver in the current financial year as part of our medium-term plan for 2019-2022 have had to be reviewed. Many of those savings will still be delivered, which is a tribute to the hard work of council staff who have continued to deliver services while dealing with the impacts of the pandemic and two national lockdowns.

As a result of COVID, we cannot now make all the saving we had planned because our services are in such need from residents, communities and businesses. A range of new plans have needed to be developed to address those unachievable savings in response to the increased financial pressures and to reflect increased demand.

New services or changes to existing services have been created, at speed, to respond to the emergency, such as our new welfare and wellbeing team. Some of these are now likely to be required beyond the short-term. Some services we would usually provide have been stood down for periods, whether through a lack of demand or the need to resource other work. The need for such services to be continued has been carefully considered and is reflected in the plan, as has the way in which the council itself operates continuing our transition to a more agile and resilient organisation.

Local authorities like Newcastle have proven themselves, again, to be an essential service. We provide, either alone or in partnership with others, many welfare-critical goods and services including care, housing, local services such as keeping the city clean, education, leisure and library facilities, healthcare, and childcare. Without these essential foundational services our city and our society would not function. To function effectively, local government needs a fair and sustainable financial settlement – not one-year piecemeal settlements that do not reflect the critical role we play in keeping society running – and a greater balance between capital and revenue spending – the latter of which is preventative or has predominantly long-term benefits and is not easily captured in traditional appraisal methods.

To be able to support residents, businesses and the city as a whole through recovery, whilst maintaining a financially viable organisation delivering on our political priorities, this plan is based on the following principles:

- ensuring the council is fit for purpose to deliver on its political priorities and ambitions for the city post-COVID
- supporting residents, businesses and the city as a whole through recovery, whilst maintaining a financially viable council
- harnessing the changes and learning in responding to COVID as part of our ongoing transformation
- recognising the ongoing context – continued uncertainty, reduced income and reducing expenditure while continuing to respond to the pandemic
- building on the approach and learning from balancing the in-year position
- taking a longer-term approach to any unachieved medium-term plan savings.

In calculating our spending power, the government has assumed a 2% increase to Council Tax and that the council will apply the 3% adult social care precept to Council Tax bills.

In recent years, the country has faced a crisis in adult social care as a result of reduced funding from government, rising demand from users, increasing complexity of demand, and unavoidable cost pressures. To this challenging situation we are now adding the short and long-term results of the COVID pandemic, which will increase both demand and complexity further.

In effect, the council and the city's council taxpayers are being asked to take responsibility for the continuing national failure to deliver a sustainable approach to social care funding. This leaves the council with no choice but to apply the adult social care precept, in full, in addition to the proposed 2% Council Tax rise, as set out in our draft financial plan. To help set a balanced budget, this will increase our income by £5.6 million which will be used to avoid making further reductions to services beyond those set out and contribute to the delivery of vital social care services.

This report focuses on how the council will invest our monies and should be read alongside supporting documents, all available on our website: www.newcastle.gov.uk/budget

- Appendix 1 – Revenue and capital plan 2021-22
- Appendix 2 – Summary of service proposals 2021-22 and 2022-23
- Integrated impact assessments for changes to services 2021-22

We are publishing our draft plans now to allow residents, businesses and organisations to understand our proposals and comment. We welcome your ideas on what we, residents, partners and businesses can do together to drive Newcastle forward.

Despite the constraints on consultation and engagement as a result of public health guidance during this period, we are keen to provide opportunities for everyone the city to have their say through our online survey, social media, and are seeking to arrange virtual consultation sessions with organisations such as Connected Voice (formerly the Newcastle Council for Voluntary Sector), Elders' Council, Disability Forum, Healthwatch and the North East Chamber of Commerce, to gather feedback.

Feedback received will be considered along with any announcements that may impact our financial position. An updated version of this plan will be presented to Cabinet in February, reflecting any changes made. Cabinet will be asked to recommend the updated plan for 2020-21 to City Council who will debate and vote on the plan at a meeting on 3 March 2021.

Let us know what you think by completing a survey on www.letstalknewcastle.co.uk.

5. Learning from COVID: the context of the medium-term plan

The financial challenges created by the impact of COVID-19 (set out in Section 4), coming on top of a decade of austerity in local government, cannot be underestimated.

Understanding this context, and how it has shaped the principles set out and the proposals we have put forward, is important.

As we learn to live with COVID, and the potential for the deployment of vaccines grows, we are hopeful that much of life will return to normality. The everyday things that we have perhaps taken for granted will return. Many of the services that the council provides will continue to be needed by citizens. But we are also taking this opportunity to learn from the experience of delivering services during the pandemic and to consider how what we do in the future needs to be different as a result.

The impact of COVID on the city has been felt in terms of health, the economy, and society. We have seen the tragic loss of life, and serious and potentially long-lasting impacts on peoples' physical and emotional health and wellbeing, whether as a direct result of the virus, or as a result of the economic destruction inflicted by the virus and the essential but damaging lockdowns.

Because of existing, longstanding structural inequalities in our economy the impacts of COVID have been felt, and will continue to be felt hardest, by the most vulnerable members of our communities. Those who are most economically disadvantaged have experienced the pandemic differently as it intertwines with existing health inequalities and social conditions and increases that existing adversity: financial difficulties, unemployment, loneliness, social isolation, chronic psychological stress and other psychosocial risk factors, already at higher rates among disadvantaged people, have been intensified by the pandemic. In addition, the pandemic has impacted those already experiencing inequalities through mechanisms such as the reduced ability to work at home, a lack of access to green space, and being unable to participate in social and health-related activity, an impact made worse by a decade of austerity.

In our response to the pandemic the council has put the most vulnerable first, convening and mobilising an incredible response from partners, businesses, and volunteers and the community and voluntary sector to support them.

We have:

- worked closely in partnership with the health service to achieve significant increases in discharge arrangements to support hospital capacity, providing a seven-day social work service to ease pressure on much needed acute care
- supported the development of a wraparound approach to tackling the virus in care homes, including enhanced training in infection and outbreak control, testing for staff and residents, and policies for the safe return to work. We acted quickly to provide financial support to the social care sector, and supported care homes through the procurement of personal protective equipment (PPE), as well as continued expenditure on packages of care to individuals;
- mobilised a huge effort to ensure health and care workers in the city and the region were supplied with PPE. The city's commitment to working in partnership was demonstrated by the support of the Tyne and Wear Fire and Rescue Service who carried out the delivery of the initial LRF PPE allocation;

- created the Citylife Line service, connecting those most vulnerable people in our communities in need of support with food and medicines, especially those classed in the highest level of vulnerability and in need of shielding. Over 200 voluntary organisations registered to respond to requests, drawing on 1,500 offers of support from volunteers;
- worked to ensure that everyone in Newcastle had a safe place to stay, with our outreach team working across the city seven days a week. Our homelessness accommodation providers took additional steps to make sure that people could access food and other essential supplies, and following government funding, we were able to rapidly support all rough sleepers into accommodation;
- worked with YHN to support those in the city exposed to the impact of the pandemic because of their domestic situation. The newly established Emergency Rehousing Panel rehoused and prevented homelessness in over 140 households and housing services supported thousands of customers with financial advice and support, helping YHN customers to make 1,170 Universal Credit (UC) claims. We have awarded an additional £0.9 million of council tax relief to 1,600 households;
- Drawn on support from the Department for Education (DfE), North of Tyne Combined Authority and organisations across the city we provided digital equipment to over 2,000 families to support learning during the lockdown, ensuring the impact on the education of young people was mitigated as far as possible;
- worked closely with NE1 and NewcastleGateshead Initiative to support the business community. With a significant impact on businesses, especially in our retail and hospitality sectors, we distributed over £60m of grant funding to local businesses in the first lockdown and have mobilised to distribute around £14m of further funding during the second lockdown. We drew on financial support from the North of Tyne CA to ensure cultural organisations ineligible for government funding were supported, and to bolster the resilience of our vital community and voluntary sector. We have also drawn on North of Tyne funding to support our Skills Hub; and
- prepared the city for safe movement following the end of the first lockdown – putting in place new temporary space and amending road layouts in some areas to create space for walking and cycling and to allow for social distancing to be observed, floor markings to show walkways, queuing areas and two metre distancing, and the use of ‘City Hosts’ to welcome visitors, provide general wayfinding/information, and identify any people needing special consideration i.e. disabled people, vulnerable individuals and assisting if safe to do so.

Our experience of supporting the city during the crisis means that two important themes of the plan are ensuring that our proposals and the future focus of our services support those most vulnerable and disadvantaged, as well as enabling us to lead the city’s economic and social recovery in a sustainable way. Our proposals will:

- maintain the status of critical safeguarding services, across the life course, recognising that increases in social isolation and poverty can increase risks around domestic abuse, neglect, (including self-neglect), household tension and carer stress
- address social, emotional and mental health and wellbeing - partners have recognised the risk of escalating mental health and wellbeing impact, from the direct consequences of the illness, the direct consequences of the restrictions limiting social interaction, and the indirect economic consequences. This is a focus of our developing work on recovery, as we look to target our resources on those in greatest need
- continue to deliver a wide range of debt and welfare advice and support services, helping those in financial difficulties through:

- our Council Tax reduction and hardship schemes
- discretionary housing payments – extra payments to help people who claim housing benefit or get the housing element of Universal Credit and are struggling to pay their rent
- welfare rights advice – providing free information and independent advice on all aspects of the state benefits system, how and when to apply for benefits and other help and challenging decisions including representation at benefit appeal tribunals
- strengthen services aimed at supporting those seeking work and training and supporting businesses to continue to operate and recover from the economic impacts of the pandemic
- work across these themes to ensure net zero and sustainability underpins our approach, including through the reinvention of our city centre and planning for greener and more sustainable neighbourhoods

Addressing these issues not just in the plan, but our forthcoming recovery planning, will ensure the council is doing everything it can to support the city's re-emergence from the pandemic as a strong, sustainable and inclusive economy.

In the following sections we set out our priorities and funding plans, informed by the above approach, for:

- **Employment: supporting recovery through more and better jobs**
- **Education and skills: the best learning opportunities for all**
- **Environment: a learn, green and safe Newcastle – deliver net zero**
- **Health and social care: a healthy, caring city**
- **Housing: building more and better homes**
- **Transforming public services**

6. Employment: supporting recovery through more and better jobs

Being in good quality work represents security, dignity, self-respect and hope for the future. We want Newcastle to bounce back from the impact of the pandemic to be a city where everyone, regardless of background or circumstances, has a choice of good quality, fairly paid job opportunities.

Before the pandemic the city's business base had been growing consistently for some years. Through the pandemic we have worked hard to mitigate business failure and unemployment rates, distributing grants to businesses, enhancing our business support offer, supporting people to find work and other measures. Nevertheless, lockdowns and ongoing restrictions have had a major impact on our economy with many businesses forced to close or make staff redundant.

We are now making our first steps towards recovery, and as we look towards the future, we will work to stabilise our city's economy and get as many people back in to work as quickly as possible.

We continue to drive growth in all that we do, both to create jobs and help fund our ambitions for the city. We will focus our efforts on new growth and employment sectors, including those in the foundational economy such as health and care. This will help ensure all our residents can contribute to and benefit from the renewed economic growth of the future, as well as providing services that the city increasingly needs.

There are many challenges, but this is our moment to grasp every opportunity and reimagine our future. Our net carbon zero goals, vision for an inclusive economy, the transformation our city centre and investment in infrastructure will create a better future for everyone who lives, works, and visits our vibrant and great city.

Investing to create the conditions for employment growth

Capital investment plays an important role in improving economic opportunities across all parts of the city, boosting the economy, creating jobs and supporting skills. Our continued investment in growth and jobs has played a vital part in stimulating business confidence in Newcastle in the past and laying foundations for future growth and our capital programme serves as a catalyst for greater private investment in the city.

Our capital programme will see us invest £250m in projects across the city in the coming two years. This will be an investment not just in the economy but in support of a number of our priorities including making the city more accessible and inclusive. For example, we will invest over £5 million in road and pavement improvements and over £2 million in grants for disabled facilities.

Our capital programme will also help to manage financial pressures, for example providing new residential schemes for people receiving social care support and generating income from our property assets.

We have made considerable progress at Newcastle Helix where, working with our partners Newcastle University and Legal and General, we are bringing forward exciting academic, commercial and residential developments. The Lumen, the Catalyst and the Frederick Douglas Centre have all now opened and Regenerate, the energy centre and district heating system for the site is also operating. Plans for the coming years include additional

commercial office accommodation, provision of a hotel, multi-storey car park and new homes on the site.

Progress has also been made on the re-development of Pilgrim Street, with work on the Bank House site recently starting to provide new office space at a prominent gateway to the city.

The next two years will also see a continuation of the transformation of the city centre that will benefit our economic recovery, attract private sector investment, and develop more sustainable uses for living, leisure, and tourism, alongside investment in our district centres and neighbourhoods to deliver our 15-minute neighbourhoods vision.

We have developed detailed investment plans that will secure the long-term future of critical infrastructure along the River Tyne, focused specifically on Walker Quay. Using our capital programme to deliver our net zero ambitions is an important feature of the plan, for example our plans include works to prepare land within the North Bank of Tyne Enterprise Zone for further inward investment to drive to a low carbon future through innovation and excellence within offshore wind, providing a pathway to more and better jobs in the green economy. New schools, transport infrastructure and other facilities to support the delivery of new homes on our strategic housing sites will also continue to be developed.

Supporting residents into better work

We are facing a very steep rise in unemployment due to the impact of COVID on the economy and business operations. The claimant count in Newcastle increased by over 50% between March and August 2020, and we expect this may increase further before it begins to fall back. We know that this impact has fallen most heavily on young people and those people and communities already facing the most disadvantage through unemployment, low pay, and precarious work.

We have seen a mixed impact across different sectors, with some parts of our economy seeing strong growth, and others returning towards pre-COVID levels of activity. Some sectors such as retail, hospitality, leisure and culture have been particularly badly hit. We expect that the nature and type of jobs in our city will change in significant ways as we recover from COVID, so supporting re-training and re-skilling will be a priority, especially to help fill demand for skills in new and growing parts of our economy. The growth of the green economy, a priority in our net zero action plan, is a particular opportunity to enable our residents to access new jobs and training.

We have enhanced our support for people seeking work through the Skills Hub, which provides a co-ordinated approach across the main providers of employment support in the city, including Newcastle Futures, the National Careers Service and Connexions. We have secured funding from the North of Tyne Combined Authority to deliver an enhanced job matching service through the Skills Hub, branded as Jobs@SkillsHub, and are working with JobCentre Plus to ensure that as many of our young people as possible benefit from the six-month work placements provided through the Kickstart scheme.

Alongside this, we are continuing to work closely with the Department for Work and Pensions and our Combined Authority to develop additional services to support employers to recruit and jobseekers to find work, particularly focused on young people who have been affected most severely by the impact of COVID on the labour market.

Investing in transport

Crucial to the economic and social life of our city is transport, and we will continue to invest in the city's transport infrastructure for the benefit of residents and businesses, as well as for the benefit of reducing our carbon footprint and delivering net zero. This will include:

- continuing to improve infrastructure in the city centre, including pedestrianisation - part of the wider plans to transform the city centre. The key initiatives are focused around increased priority for people, not vehicles, in areas like Blakett Street, Grey Street, Northumberland Street and its side streets.
- ongoing investment in major highways maintenance and improvements.
- developing local cycling and walking plans.
- providing transport infrastructure to support our strategic housing sites
- upgrading the integrated traffic signals network to facilitate efficient and effective vehicular movement around the city
- developing Newcastle Streets for People and 15-minute neighbourhoods which will support local businesses and smaller shopping parades by enabling people to access all the services they need within 15 minutes of their home.

Creating a vibrant and animated city

In recent years we have worked hard to attract leading national and international cultural and sporting events to Newcastle, including the Great Exhibition of the North and Rugby World Cup fixtures. These events create jobs and help attract future investment.

The pandemic meant that almost all events planned for 2020 had to be postponed. We are however continuing to support event organisers to bring their events back. And we were extremely proud to have hosted the world's first socially distanced concert venue at Newcastle Racecourse, a creative response to enable residents and visitors to enjoy live performances.

We will continue to ensure Newcastle is positioned as an attractive place for major events and access external funding to support this.

A number of large-scale events including Rugby League's Magic Weekend and the world renowned Great North Run are already confirmed for next year. But perhaps the most prestigious will be the Rugby League World Cup in October, when St James Park will host the opening ceremony and opening game. The event will attract worldwide television coverage and is a great opportunity to showcase our city and the wider North East region, as well as expose young people in the city to a potential sporting activity they may wish to take up.

We will continue to invest in events that not only attract visitors and create jobs but are important to the wellbeing and happiness of all our communities. These include the Christmas Lights switch on, New Year's Eve celebration, Chinese New Year, Pride and the Newcastle Mela. Understandably, we will ensure that any such events are reflective of the need to keep people safe while COVID remains a threat to public health; we are exploring the use of innovative approaches to ensure we still celebrate these occasions.

How will we measure our progress?

We will use a range of indicators to measure how we are making progress on creating more and better jobs, such as:

- Proportion of people in managerial, professional or technical jobs compared to North East
- Average weekly wage compared to UK
- Number of businesses
- Proportion of residents aged 16-64 claiming out of work benefits compared to North East and national average
- Number of visits to museums and attractions
- Amount of annualised benefit gained

7. Education and skills: the best learning opportunities for all

Working with partners to keep children safe, be included, continue to learn and ultimately to have the skills to move into the world of work is important for children and young people and for the future of our city.

The strength of relationships across the city have helped get children back to school safely, creatively enabled the transportation of special educational needs and disability pupils whilst maintaining social distancing and secured and distributed digital equipment to vulnerable pupils. Building on these relationships and partnerships is crucial to our ambitious plans in the year ahead.

Best start in life

We are committed to supporting babies and young children to have the best start in life. Evidence is clear that these early years lay the foundations for every child's future health, wealth, learning and wellbeing. Young children in Newcastle benefit from innovative early years services, including; a focus on the 1001 critical days and the Parent Talk service that promotes parental mental health. 97% of private, voluntary and independent sector childcare providers are rated as good or outstanding by Ofsted. Through the two, three and four-year-old offer more of the most vulnerable children are benefiting from these high-quality childcare providers. This is one way that with partners we narrow the achievement gap for the most vulnerable children, and support parents to move in to and stay in work.

We will:

- Continue our ambitious work with partners, including children, young people and families, to design and launch Children & Families Newcastle – providing better integrated and earlier support; building on strengths and assets within communities.

Working with schools to support pupils' participation

Children in Newcastle build on a strong start in the early years to make good progress through primary education. Whilst no pupil results were published in summer 2020 at July 2020 94% of primary schools were judged to be good or outstanding by Ofsted above regional and national comparators.

Pupils achieve less well in secondary. In recent years the council, with schools and wider partners, have piloted new services and ways of working designed to promote transition, behaviour, mental health and to support pupils to achieve. The team around the family, the mental health trailblazer and social workers in schools are already increasing school-based support to pupils, their families and bolstering school pastoral teams.

We will:

- Independently evaluate the social workers in schools' pilot and if successful mainstream the offer
- Continue to work with schools to reduce fixed-term and permanent exclusions
- Continue to support improvement in secondary schools, including by brokering school to school support
- Continue to invest in additional, good quality school places where they are needed
- Independently review the city's approach to alternative provision.

Working with the most vulnerable children, young people and families

Our ambition is to work earlier with families, so they stay safely together. The council cannot and should not do this alone. Often it is schools, community organisations or health professionals that the family reach out to first. The existing relationships and strength of the local organisations means that they are often also best placed to work with the child or family to resolve concerns. We have seen this through the community response to COVID. Where families require further support the council's community family hub play an important role in wrapping additional support around families.

Despite a very challenging context our transformation plans are having an impact. Newcastle is increasingly a place where social workers are choosing to work. We have halved our reliance on agency workers and invested in our staff, including through the social work centre of excellence and the establishment of a hub for newly qualified social workers. In March 2020, pre COVID, the number of children and young people working with statutory children's social care had reduced and 77 fewer children were subject to a child protection plan. Through COVID as the pressure on families increased, we experienced an increase in families requiring support. However, from October 2020 the number of children and young people working with us had started to fall.

In the year to March 2020, the impact of our transformation plans meant that the number of children in care had fallen steadily. However, as a result of COVID fewer children left care from March and this meant the total number of children in our care increased to August 2020. As partners, including the courts, work in new ways we have seen the number of children in care start to fall again. At the end of October there were 684 children in care. Children in care tell us that they would prefer to remain in the city, closer to their friends, schools and community groups. Working with partners including schools, we have supported more children and young people to return to or remain in Newcastle. More children are returning to live in loving family homes; our use of inhouse fostering has increased to 80% of all placements and we have seen a 23% reduction in the use of independent sector residential placements.

We will:

- Build on our ambitious transformation plans as we implement the DfE funded Family Valued programme. Through this programme we will work with families so they can stay safely together and further reduce demand in statutory children's social care, including children in care
- Work with staff and partners to review our inhouse children's homes in the context of the Family Valued programme
- Fully embed our new virtual school governing body, an important part of how the city works together to promote educational progress for children in care
- Through the National Youth Justice Board Pathfinder programme, Newcastle will be sharing our learning and disseminating solutions to some of the toughest issues the youth justice system is facing nationally
- Continue to make the case to government on funding for children's social care and will seek additional funding to deliver our three-year vision.

Supporting young people into further education or training

Despite the uncertainty created by COVID at the end of September 2020, 90.9% of 16 and 17-year olds were in education or training. However, we are already seeing the impact of

COVID as the number of young people either not in education, employment or training (NEET) or whose destination is not known increased to 9.2% at September 2020. Labour market intelligence also highlights that there has been a significant increase in the Jobcentre Plus claimant count amongst 18-24-year olds between January and September 2020. The economic consequences of COVID for young people are significant, particularly in retail, hospitality, leisure, travel and cultural organisations.

Services that work with and support the most vulnerable young people are an important part of the city's response. The Connexions service works with 16-18-year olds, so that they are aware of and supported to access the right learning provision for them, including access to traineeships and apprenticeships. In addition, following a successful pilot in 2019, Newcastle City Learning (NCL) is running the KEEP project, which supports vulnerable students who are a long way from employment.

We will:

- Continue to evaluate and build on the strengths of the KEEP project
- Within Newcastle City Learning, develop work-related study programmes for students who are successful on the KEEP project, and for young people in council care who are at risk of becoming not in education, employment or training
- Work with partners, including health, social care and education providers to improve post 19 outcomes for young people with special education needs and disability
- Support care leavers to gain experience of the world of work by using the Newcastle school bursary to pay a small wage for those attending specific study programmes

How will we measure our progress?

We will use a range of information, including data and the views of children, young people, parent and carers, to assess progress on delivering the best learning opportunities for all, such as:

- Parents and carers taking up the two-year-old childcare offer
- Pupils achieving a good level of development at the end of the Early Years Foundation Stage (end of Reception)
- Pupils attending a school graded as good or better by Ofsted
- Primary and secondary school attendance
- Pupils achieving the expected standard or higher in reading, writing and maths at Key Stage 2 (end of Year 6)
- Progress 8 score for Newcastle at Key Stage 4 (end of Year 11)
- Students achieving Level 3 qualification by age 19
- Children in care living in Newcastle placements
- Young people in employment, education or training
- Total benefit gains for Newcastle families

8. Environment: a clean, green and safe Newcastle, delivering net zero

Everyone has the right to live in a clean, pleasant and safe neighbourhood. And we have a duty to protect the environment for future generations.

Net Zero Newcastle

Our last medium-term plan set out a bold ambition to transition to net zero by 2030. We have made significant progress in this ambition, reducing the council's own CO2 emissions by a further 4.8% between April 2019 and 2020, following a reduction of 41% between 2010 and 2019, and in September 2020 launched our Net Zero Newcastle – 2030 Action Plan.

The Net Zero Newcastle – 2030 Action Plan sets out over 150 actions that the city can take to decarbonise over the next decade while taking advantage of the huge opportunities for green growth in the local economy. The two main areas targeted in the plan are energy use in homes and non-domestic properties, which accounts for 64% of the city's emissions, and transport, which is just under 30%.

While many of the actions set out in the Net Zero Newcastle – 2030 Action Plan need to be taken by national government, we remain committed to progressing action locally on a number of priorities, often supported by match-funding from other sources, and leveraging in further funding from the private sector.

Investing in a clean Newcastle

Newcastle produces 142,000 tonnes of waste, with over eight million collections a year from 132,500 homes. As a growing city this is set to increase further. It costs in the region of £14 million a year to collect and dispose of the city's waste. Taking a radical approach to waste management will be critical to ensuring the city operates within sustainable environmental and financial limits. We are continuing to encourage residents to reduce, recycle and reuse waste, responding to the recommendations of the Newcastle Waste Commission and by pursuing those who fly-tip rubbish in our city.

We continue to transform the local services that are vitally important to residents. We will work with communities, partners and businesses to deliver our waste strategy action plan. Reducing waste and increasing reuse and recycling is everyone's responsibility and we aim to make Newcastle a leader in how we deal with waste as well as reducing future cost pressures in the longer term.

We will also continue to make our local services more effective and efficient by:

- Negotiating with our existing contract providers and re-procuring for the future to minimise the cost of waste disposal
- Investing in modern vehicles, equipment and digital technologies to improve efficiency and effectiveness
- Investing in enforcement and monitoring activities to ensure waste is disposed of properly and those who dump rubbish in our city are pursued
- Keeping the Household Waste Recycling Centres under review in line with our new waste strategy
- Maintaining our waste disposal machinery in-house as this represents better value for money

- Reviewing waste charges for organisations, including for those organisations that have previously received this service free of charge
- Supporting communities and partners, enabling communities to do more for themselves to create decent neighbourhoods.

Community hubs and libraries

Our community hubs and libraries play a key role in supporting digital, financial and social inclusion and literacy in its widest sense. Our libraries are safe and trusted community spaces, providing opportunities to engage with vulnerable people, and helping residents access other support services.

Our challenging financial circumstances mean we now need to make further savings across our hubs and libraries towards the end of this medium-term plan. We will carry out a service review involving consultation across the city with the public, colleagues and elected members. It has been nearly 20 years since the service was re-invigorated with new buildings, services and leadership. As library services have evolved and adapted over this period, we want to ask those that use (and those that do not use libraries) what they want from them, how services could be delivered and what is important for them. We are determined to make these changes while maintaining a citywide library network and preserving the City Library.

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Keeping communities safe

Newcastle continues to be one of the safest large cities in the UK. But in line with national trends, there have been increases locally in recorded crime. Most of this increase is linked to improvements in crime recording and victim confidence to report crimes to the police. However, we are also starting to see indications of actual increases in crime. Despite this, in the twelve months up to the end of March 2020, the Safer Communities Survey indicates that 95% of people in Newcastle “feel very or fairly safe living in their neighbourhood.”

With police and other partners, we will remain focused on preventing and reducing crime through the Safe Newcastle partnership by tackling issues such as burglary and violent crime. Building on the success of schemes such as Operation Oak where our collaborative approach with police and universities has been widely recognised as good practice.

Through income generation, we will continue to maintain public space CCTV, work to tackle hate crime and prevent domestic violence and abuse. However, there will be an impact on the level of support we are able to provide for safe neighbourhoods’ work. To minimise this impact, we have secured funding for additional staff to support the continued delivery of safe neighbourhoods work in areas where there are Your Homes Newcastle tenants.

To support this, we will continue to provide a range of regulatory and environmental services, responding to complaints about noise, littering, dog fouling, fly-tipping, vandalism and graffiti. We continue to work with partners including the youth offending team, schools, community groups and police to tackle issues and reduce community tensions when they surface. But, as resources reduce, we will work ever closer with partners and communities to continue to support community cohesion.

How will we measure our progress?

We will use a range of indicators and reports to assess how we are making progress on ensuring a clean, green and safe Newcastle, such as:

- Proportion of residents who cycle at least once a month compared to North East
- Level of recorded crime compared to English core cities
- Progress against local operational service standards
- Number of enforcement actions relating to fly-tipping and waste offences
- Safe Newcastle plan and annual report
- Net Zero Newcastle – 2030 Action Plan annual update

9. Health and social care: a healthy, caring city

We want to make sure that people can live healthy and fulfilling lives, with the right health and care support when they need it. Newcastle's population has a growing proportion of older people, more people who have complex needs and greater numbers of people with recognised learning and physical disabilities and supporting them is a priority for the council.

In recent years, the country has faced a crisis in adult social care as a result of reduced funding from government, rising demand, increasing complexity of that demand, and unavoidable cost pressures. To this challenging situation we are now adding the short and long-term results of the COVID pandemic, which will increase both demand and complexity further.

We have been proactive in working with partners to develop new models for social care, more effectively managing demand for services and supporting people to be independent for longer, and better integrating care with health provision.

Supporting vulnerable adults

We provide critical social care services daily to some of the city's most vulnerable adults, as well as protecting those at risk of abuse or neglect through our safeguarding function. This ranges from frail older people, to people of all ages with physical disabilities, learning disabilities and/or autism, and mental health conditions or cognitive impairments like dementia. We also support people with needs arising from their substance misuse, and young adults who have had chaotic lives or who have been exploited by others.

We have transformed the way we deliver and commission our adult social care services over the last decade and are successfully managing demand for these services in the face of increasing financial and demographic pressures.

However, we are beginning to see those pressures increasing. Following a period where requests for support were increasing but people requiring long term support was decreasing, that position has flipped. During the period 2017-18 to 2019-20, the number of requests for support decreased by 8.3%, from 10,413 to 9,549, but the number of people we provide long-term support to has increased by 2.5% during the same period, from 4,961 to 5,085. This demonstrates that our preventative services and information, advice, and guidance are working to reduce demand and relieve pressure on our front door services. But it also shows that when people do contact us, they are increasingly likely to do so at a point where social care intervention is required. The increase is small, and that is testament to our reablement services and our continuing efforts to appropriately apply national minimum eligibility thresholds in our assessments. But it does show that we are under increasing pressure to support a growing and increasingly complex population.

We cannot meet the financial challenges facing adult social care by reducing staff numbers and we have no plans to do this. There has been a national recognition, long overdue and already well understood in Newcastle, that social care plays a vital role in the economy and that our staff are essential to society. We continue to explore new ways of working and testing out new ways of doing things, accelerated by the COVID-19 pandemic, but we cannot deliver our essential statutory functions and service transformation with fewer staff.

Our plans for 2021-22 and beyond remain focussed on two principles - making sure we provide a level of support that is appropriate and proportionate to the needs of the people we

support, and ensuring we provide the right types of support that enable people to live as independently as possible.

To achieve this, we will:

- Continue to ensure we apply national standards of eligibility for care and support whilst working to manage, where possible, high demand for those services. We will review our assessment processes within our 'front door' services and how we manage the transition from children's social care to adult social care.
- Continue to work with providers to ensure that the services we commission meet eligible social care needs in the most effective and efficient way. For example, by re-examining our extra care and independent supported living models, and working with partners across health, social care, and housing to design more effective community support models for people with complex or escalating needs, including community living networks and our own Shared Lives service. We will also continue with our established specialist housing delivery programme, working in partnership with the Fairer Housing Unit and Your Homes Newcastle.
- Continue to use statutory responsibilities and powers to ensure that there is a fair contribution to the cost of social care across the system. This includes securing appropriate funding for those services that are the responsibility of the whole system. We will also ensure that people who can pay a contribution towards the cost of their care do so, and that this contribution is based on expectations laid out in the Care Act Regulations.

Key to all of this, will be working with our partners across social care, health, and housing to test out new ways of delivering health, wealth, and wellbeing for the most vulnerable in our communities. We will seek to do this in a way that maximises independence and promotes individual outcomes whilst also making efficiencies across the whole system where we can. Through this we will ensure that we get the most from the exciting partnerships created through the Newcastle Alliance and Collaborative Newcastle.

In addition, we will continue to make best use of temporary funding provided through grants to deliver innovative services like RISE in extra care, and assertive in-reach support to help people with needs arising from their mental health condition to move out of residential care and back into their communities.

How will we measure our progress?

We will use a range of indicators and reports to assess how we are making progress on creating a healthy, caring city, such as:

- Assessment against the public health outcomes framework
- Benchmarking of public health service quality through sector-led improvement
- Annual Public Health report
- Adult social care local account
- Quarterly short and long-term support (SALT) and adult social care outcomes framework (ASCOF) returns
- Quality of life experienced by adults using council-funded social care
- Proportion of adults using council-funded social care who feel in control over daily life

10. Housing: building more and better homes

We believe everyone deserves to live in a home that is safe, have good quality community facilities in their local neighbourhoods and be supported if they have particular housing needs.

Having a home in an accessible, safe and attractive neighbourhood is fundamental to residents and the future of our city. We are committed to ensuring there is sufficient quantity, choice and variety of housing for local people.

We are building more new homes for families who want to live in Newcastle, delivering much-needed affordable new housing and making more specialist properties available so that people who have support care or accessibility needs can continue living independently in the local community.

Our positive approach and recent achievements

We are ideally positioned to take advantage of new opportunities and to build on our already strong record in delivering housing. Nearly 5,000 new homes have been built over the last five years: the highest level of new housing development seen in the city for the past 30 years.

We have used our own assets to deliver new housing development – contributing directly to nearly half of the new homes built over the past five years. A quarter of these have been new affordable homes. We have taken an active role in housing delivery across all tenures, using land assets to draw in external investment and meet housing need. As part of this, we are delivering more housing with care schemes to ensure there is a network of community-based options so that people with support needs do not have to move into institutional or hospital care settings.

Investing in more and better homes

In order to meet the needs of existing and future residents, the city requires:

- A different affordable housing offer – to keep pace with changing economic and population needs
- More homes that are accessible and attractive to older people and those with long-term disabilities
- Specialist housing with care offer as an alternative to institutional care
- A range of tenures to attract and retain households (private rented, market sale, shared ownership, affordable rent, social rent)
- To move away from a hostel based temporary housing offer to a Housing First approach to respond to residents who experience homelessness and severe and multiple disadvantage

To achieve our housing priorities, we will:

- Further develop a new ten-year asset and investment plan for our council housing. We will encourage modernisation, support demolition of redundant stock and build new where appropriate to maintain a healthy stock and pipeline beyond 2022.

- Over the course of the next year, we will invite other registered providers to share their asset plans with us to develop a city-based investment plan to restructure out of date stock
- Develop a bespoke housing prospectus with Homes England and the North of Tyne Combined Authority to secure private and public investment
- Work with developers, landowners and Homes England to target this investment to brownfield sites that will contribute to the city's economic and housing requirements such as Forth Yards, Walker Riverside, and the Rise in Scotswood
- Continue to deliver a range of supported and specialist housing, facilitating the provision of 500 new homes over a two-year period to cater for those with a specialist need
- Review how we designate properties. This will ensure a more inclusive process for letting and allocating our own houses and provide tenants with more choice in the accommodation we are able to offer. It will also allow us to make better use of the housing stock and to better serve the needs of our communities.
- Continue to invest in making the best use of existing housing stock in the city by bringing more empty private homes back into use
- Continue to provide advice support and information to vulnerable people, using face-to-face and digital methods to help them secure and sustain their accommodation
- Through the nationally accredited Care and Repair Newcastle service, provide at least 300 Disabled Facility Grants to assist people to live independently in a home of their choice
- Further develop and implement plans for a carbon retro fit program across all tenures to be ready to implement long term investment programmes once the Government makes them available

In March 2020 the government announced a £12 billion five-year Affordable Homes Programme starting in 2021-22. This gives us a further opportunity to bid for funding to progress our ambitious housing delivery programme. As a trusted partner of Homes England, we received just under £12 million in the last Affordable Homes Programme, the largest award to a single authority in the North.

In June 2020, the government announced that a £50 million social housing decarbonisation pilot would be made available. The first round of funding is to be announced imminently, with a second round of funding to be released in March 2021. Delivery of energy efficiency measures to homes across the city will support local contractors to retain and expand their teams and will reduce household energy costs, increasing disposable incomes.

How will we measure our progress?

- Homes built
- Empty homes brought back into use
- Rent deposits issued

11. Transforming your public services

Our previous medium-term plan placed a strong emphasis on transforming our services and ways of working to deliver greater efficiency. In many cases, we have been able to improve outcomes and broaden partner and community involvement in services through our programme of transformation.

Our experience of delivering services through the pandemic has reinforced some things we already knew and provided valuable lessons to inform further service redesign. In this plan we are focusing our efforts in 2021-22 on mitigating cost pressures and delivering savings, alongside developing a new organisational model and operating approach that from 2022-23 and onwards will enable us to move to a more transformative approach – reconfiguring the organisation and services to move to a more agile, resilient set of working arrangements.

The council has a strong tradition of working with our trade union colleagues and employees to mitigate the impact of budget cuts on our workforce as well as implement new ways of working. Alongside the financial savings required, we have undertaken service transition activity to review the impact of COVID on how we delivered services and from the lessons we have learned, and which elements should be developed for the future. Collectively, these have informed our budget proposals.

These proposals have sought to find alternative ways to achieve the required savings, but there will unfortunately be some workforce impacts. Whilst these could have been significantly worse given the scale of the savings required, we know it is still an extremely worrying time for the affected staff and it remains our commitment to seek to avoid compulsory redundancies wherever possible. We are engaging with the trade unions and staff affected on the budget proposals and will continue to do so over the coming weeks, particularly on those proposals with staffing implications and we continue to be committed to full and meaningful consultation. Anyone who is at risk of redundancy will receive support to access redeployment opportunities and/or alternative employment within or outside the council. Where new ways of working are required, employees will be engaged early in the process and be given the necessary support and training. All employees continue to have access to our broad employee health and wellbeing offer, which includes access to a 24-hour employee assistance helpline.

12. Conclusion: build forward better

This report has summarised Newcastle City Council's our new medium-term plan for 2021-22 and 2022-23.

It has set out how, in spite of ongoing and hugely damaging cuts to our funding by government, and the unprecedented impact of COVID, the council has worked tirelessly in collaboration with residents and partners across the city, to continue to deliver the best possible services and to shape a future for the city that is ambitious, inclusive and provides value for money.

The report sets out the areas in which we continue to invest, reflecting the needs of all our residents, and particularly those who are most vulnerable. It recognises that we continue to need to make tough choices and explains our rationale for those choices.

Informed by ongoing consultation with residents, businesses, and partners, and working in partnership across the city, it underlines the council's continuing commitment to shaping the future of our great city by building forward together.

Further views on the content of the report are welcomed throughout the consultation period and will help to shape our plans into the future – as we build forward better.