

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE - TUESDAY, 31 JANUARY 2023

**MINUTES OF A MEETING OF THE CORPORATE OVERVIEW AND SCRUTINY COMMITTEE
HELD HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET,
BRIDGEND, CF31 4WB ON TUESDAY, 31 JANUARY 2023 AT 10:00**

Present

Councillor A Williams – Chairperson

H T Bennett	F D Bletsoe	P Davies	RM Granville
S J Griffiths	M L Hughes	RL Penhale- Thomas	T Thomas
G Walter	AJ Williams		

Apologies for Absence

M Jones

Officers:

Victoria Adams	Interim Finance Manager – Budget Management: Communities, Education and Family Support
Rachel Keepins	Democratic Services Manager
Meryl Lawrence	Senior Democratic Services Officer - Scrutiny
Claire Marchant	Corporate Director Social Services and Wellbeing
Jessica Mclellan	Scrutiny Officer
Chris Morris	Accountant
Janine Nightingale	Corporate Director - Communities
Alex Rawlin	Corporate Policy & Public Affairs Manager
Nigel Smith	Group Manager - Chief Accountant
Kelly Watson	Chief Officer Legal, HR and Regulatory Services

46. CONDOLENCES

The Chairperson expressed condolences on behalf of the Committee, to the First Minister and his family on the sudden death of the First Minister's wife and advised that their thoughts were with them at this sad time.

47. DECLARATIONS OF INTEREST

Councillor Paul Davies declared a prejudicial interest in item 6, the Medium Term Financial Strategy 2023-24 to 2026-27 and Draft Budget Consultation.

48. BUDGET MONITORING 2022-23 - QUARTER 3 REVENUE FORECAST

The Chief Officer Finance Performance and Change presented a report providing the Corporate Overview and Scrutiny Committee with an update on the Council's revenue financial position as at 31 December 2022.

The Chair thanked the Chief Officer Finance, Performance and Change and Members discussed the following:

- The Deputy Head of Finance provided further detail in relation to the projected over/under spend column in table 1 of the report.
- That there was no obvious correlation between an increase in Council Tax and a decrease in collection rates. Members also discussed Council Tax support and other support for people struggling to pay.

- The balance of the Hardship Fund supporting free car parking for the town centres, how much this was costing the authority each month and if this had been successful in bringing people back to the town centres.
- That no further external financial support from Welsh Government was anticipated in relation to COVID-19, although there could be cost of living related schemes.
- The budget reduction proposal relating to letting a wing of Ravens Court, delayed because of the uncertainty of the new hybrid working policy and the demand for office space and when the savings would be achieved.
- Budget reduction proposals that were delayed or not achievable and what alternative proposals had been identified.
- Detail of what was entailed in the supplies and services budgets, with reference to paragraph 4.2.6 of the report, that there had been “a review of the budgets within the Education and Family Support Directorate during quarter 3 with replacement savings identified from supplies and services budgets”. The Corporate Director for Education and Family Support agreed to provide a breakdown to the committee.
- The number of primary and secondary schools that would have a deficit balance at the end of the financial year, the impact of a 2% decrease in budgets on schools and methods to mitigate the impact of the cuts. Members also discussed the budget narrative, whether or not this was a cut as the schools would be receiving more money than the previous year and all pay increases to teaching staff would be covered and the issues resulting from the Published Admission Number (PAN).
- Whilst acknowledging that the PSVAR Regulations prevented commercial places on school transport, Members suggested that the prospect of commercial places should be at the forefront of discussions with new providers due to the rising number of frustrated parents prepared to pay for transport.
- The outcome of the WG review of Home to School Transport and if it was likely to impact on schools within the next financial year.
- The pressures within the Social Services and Wellbeing Directorate, the £15.35 million swing, the sufficiency of the budget proposed and if the area had been underfunded previously, managing risk, an exponential increase in demand, reduced grants from Welsh Government and an increased risk base.
- Issues with workforce, demand and complexity of need and supply. In particular Members discussed the need for agency workers, the shift in the social work workforce, an increase of 127.9% in assessments in year to date compared to the previous year, the highest ever number of children on the Child Protection Register in the history of Bridgend and an increase in the numbers of care experienced children.
- Learning disabilities and the ongoing review, the challenges of older people in Day Services and that this was common to all local authorities.
- Concerns regarding the risk and a request to have sight of the risk register relating to the significant shift of £15.352 million due to the Social Services Directorate projecting an overspend of £9.421 million at year end compared to the 2021-22 outturn position of a £5.931 underspend.
- Concerns that the budget was not sufficient to deal with patients discharged from hospital without care packages in place and insufficient numbers of staff to deliver the packages.
- With reference to the table showing the projected variances in the three service areas in Children’s Social Care, Members requested sight of the budget allocated to each.
- All national legislative commitments needed to be fully funded.

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- The overspend on the Fleet Services budget, when the review of the service would be completed, training for electric vehicles and possibly hydrogen in the future and the impact on the budget of taxis using other facilities.
- Issues relating to the significant number of vacancies across the Communities Directorate, particularly during the summer months and difficulties recruiting surveyors and highway engineers resulting in an underspend.
- Alternative ways of delivering the service, health and safety priorities and the visual amenity and working with the Probation Service to support staff.
- The significant decrease in taxi drivers post covid, safeguarding concerns within the Borough and this issue being exacerbated by taxi drivers being forced to use a particular facility and the review that was being carried out in this area.
- Initial savings from Streetlighting being used to offset overspends in other areas, leading to an eventual overspend in Streetlighting, due to essential maintenance because of road traffic collisions.
- High printing costs within the ICT budget as a result of being locked into fixed rental fees for the printers.
- Frustrations with Welsh Government grant funding and not knowing if it would continue in future years, conversations across Wales around adding funding for homelessness to the revenue budget so that it could be considered as part of the wider round.
- The balance in the Council fund to the 31st of December 2022 (£10.1 million) as reported when the accounts were closed. At this stage there were no plans to draw down on that reserve in the current financial year.

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee made the following Recommendations:

1. Whilst acknowledging that the PSVAR Regulations prevented commercial places on school transport, that the prospect of commercial places be at the forefront of discussions with new providers due to the rising number of frustrated parents prepared to pay for transport.
2. All national legislative commitments needed to be fully funded.

Additional Information

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee requested:

3. Detail of what was entailed in the supplies and services budgets, with reference to paragraph 4.2.6 of the report, that there had been “a review of the budgets within the Education and Family Support Directorate took place during quarter 3 with replacement savings identified from supplies and services budgets”.
4. Sight of the risk register relating to the significant shift of £15.352 million due to the Social Services Directorate projecting an overspend of £9.421 million at year end compared to compared to the 2021-22 outturn position of a £5.931 underspend.
5. With reference to the table showing the projected variances in the three service areas in Children’s Social Care, the budget allocated to each.

49. **CORPORATE PLAN 2023-28**

The Corporate Policy and Public Affairs Manager presented the draft Corporate Plan 2023-28, which set out the policy context, ways of working and well-being objectives for the Council.

The Chair thanked the Corporate Policy and Public Affairs Manager and Members discussed the following:

- The benefits of showing the annual cost of some of the services and the possibility of additional disaggregation according to the cost per household or cost per user. The Committee requested mock-up infographics showing a breakdown of Council spend by per day, per household and per person for the Committee to comment on which would be most helpful to residents.
- That consideration be given to accessible promotion and communication of the Corporate Plan to the public with consideration given to the digitally challenged, older residents and those with sight difficulties.
- That consideration be given to engaging Town and Community Councils to promote and distribute the Corporate Plan in local community centres and libraries.
- That consideration be given to the infographics of Council Tax and Council spend being sent out with the Council Tax Demand letters.
- That consideration be given to seek external, expert advice or investing in external training to improve the use of infographics and the possible addition of a column to show what went well.
- Concerns were expressed over the usefulness of Key Performance Indicators (KPIs) without objectives and key results (OKRs) and the Committee requested that the Annual Action Plan address these issues.
- In terms of the five ways of working, providing context around “the hand” to indicate stopping or reducing services.
- The need to reinforce the conversation to be had with residents, about the responsibility for keeping well and safe.

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee made the following Recommendations:

6. That consideration be given to accessible promotion and communication of the Corporate Plan to the public with consideration given to the digitally challenged, older residents and those with sight difficulties.
7. That consideration be given to engaging Town and Community Councils to promote and distribute the Corporate Plan in local community centres and libraries.
8. That consideration be given to the infographics of Council Tax and Council spend being sent out with the Council Tax Demand letters.

Additional Information

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee requested:

9. Mock-up infographics showing a breakdown of Council spend by per day, per household and per person for the Committee to comment on which would be most helpful to residents.

10. Concerns were expressed over the usefulness of Key Performance Indicators (KPIs) without objectives and key results (OKRs) and the Committee requested the Annual Action Plan which it heard would contain that information and if not available, an indication when it will be

50. **CAPITAL STRATEGY 2023-24 TO 2032-33**

The Chief Officer, Finance performance and Change presented to the Corporate Overview and Scrutiny Committee, the draft Capital Strategy 2023-24 to 2032-33, which included the Prudential Indicators against which the Council measured itself during the financial year (Appendix A) and for the Committee to provide any comments for consideration in finalising the Capital Strategy for Cabinet and Council approval in March 2023.

The Chair thanked the Chief Officer Finance, Performance and Change and Members discussed the following:

- A Member's Briefing to assist Members' understanding of the Capital Strategy
- That fleet services consider leasing vehicles and machinery rather than purchasing them outright to determine whether this could provide savings on maintenance and replacements and that evidence of this be provided in a written response to the Committee.
- When projects were assessed, risk was considered in terms of both finance and deliverability of the project. Insurance cover was in place to cover health and safety aspects but that was not a capital cost. Any additional capital work required to remove a risk would go through the Capital Programme.
- Changes to the draft Treasury Management Strategy as a result of comments from Members in relation to the position with Thurrock Council

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee made the following Recommendations:

11. That fleet services consider leasing vehicles and machinery rather than purchasing them outright to determine whether this could provide savings on maintenance and replacements and that evidence of this be provided in a written response to the Committee.

Additional Information

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee requested:

12. A Member's Briefing to assist Members' understanding of the Capital Strategy.

51. **MEDIUM TERM FINANCIAL STRATEGY 2023-24 TO 2026-27 AND DRAFT BUDGET CONSULTATION PROCESS**

The Senior Democratic Services Officer – Scrutiny presented to the Committee the final report of the Budget Research and Evaluation Panel (BREP) attached at Appendix A and the responses from all the Subject Overview & Scrutiny Committees in relation to Cabinet's draft budget proposals, attached at Appendix B to the report. The Corporate

Overview & Scrutiny Committee was asked to consider the findings of the Budget Research and Evaluation Panel attached at Appendix A and determine whether the Recommendations should be forwarded to Cabinet along with the consolidated responses from all four Overview and Scrutiny Committees at Appendix B as part of the budget consultation process.

The Chair thanked the Senior Democratic Services Officer – Scrutiny, and Members discussed the following:

- The use of reserves to “plug the financial gap” due to the severe financial context for one year in anticipation that inflation would tail off towards the end of the year and that the economic picture was improving. Members discussed the need to be financially credible in line with Wales Audit recommendations and the need to keep a balance of 5% net of schools’ balances to meet any unexpected pressures. Reserves could only be used once but further cuts to public expenditure were expected. Consideration should be given to the public perception of earmarked reserves and communication with the public.
- The use of a cash fund to avoid problems during COVID.
- Slippage in the Capital Programme and if there was an opportunity to delay some of the capital projects and to rent machinery or vehicles to release capital reserves to increase revenue budget and help cover costs this year.
- Working with other local authorities to look at best practice and pressures. WLGA summit to look at proposals at neighbouring authorities.
- Scope to provide alternative budget proposals as a result of more engagement in the process and being aware of the full discretionary services that could be considered for savings. It would be helpful to know what was statutory or discretionary and the amount paid for those services to be able to provide a more valuable contribution in future years.
- Appetite for risk with regard to predictions around inflation and energy prices and lack of resilience in reserves or the base budget.
- Ongoing conversations to mitigate the impact of some of the proposals particularly in relation to the RNLI, the Regeneration Fund and enforcement.
- The headlines from the budget consultation which was just concluding and revisiting some of the assumptions to see if there was any wriggle room to take on the comments received.
- The presentation of an alternative budget and not having access to the information required to make a valuable contribution to the discussion.
- Only 7% of budget reduction proposals were predicated upon policy changes.
- The possibility of BREP and COSC being part of the filter process to look at what policies were within scope to be looked at.

Following detailed consideration and discussions with Officers and Cabinet Members, the Committee made the following Recommendations:

13. That all four Scrutiny Committees’ recommendations be presented, unamended, to Cabinet as COSC’s recommendations.
14. That there be an additional recommendation from COSC that there be a communication to residents to improve understanding of the purpose of reserves and earmarked reserves held by the Council.

52. **URGENT ITEMS**

None

The meeting closed at 15:20.