

**MINUTES OF A MEETING OF THE CORPORATE OVERVIEW AND SCRUTINY COMMITTEE
HELD IN HYBRID IN THE COUNCIL CHAMBER - CIVIC OFFICES, ANGEL STREET,
BRIDGEND, CF31 4WB ON WEDNESDAY, 18 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	M Jones	RL Penhale- Thomas
T Thomas	G Walter	AJ Williams	

Officers:

Lucy Beard	Scrutiny Officer
Rachel Keepins	Democratic Services Manager
Meryl Lawrence	Senior Democratic Services Officer - Scrutiny
Jessica Mclellan	Scrutiny Officer
Chris Morris	Accountant
Kelly Watson	Chief Officer Legal, HR and Regulatory Services

41. APOLOGIES FOR ABSENCE

Invitee:

Councillor Hywel Williams, Cabinet Member for Resources had advised he would be joining the meeting slightly later.

42. DECLARATIONS OF INTEREST

Councillor Paul Davies declared an interest that a family member worked in the Waste Enforcement Team.

43. MEDIUM TERM FINANCIAL STRATEGY 2023-24 TO 2026-27

The Chief Officer – Finance, Performance and Change presented a summary of the report, the purpose of which was to present the Committee with the draft Medium Term Financial Strategy 2023-24 to 2026-27, which set out the spending priorities of the Council, key investment objectives and budget areas targeted for necessary savings. The strategy included a financial forecast for 2023-2027 and a detailed draft revenue budget for 2022-23.

The Chairperson thanked the Chief Officer Finance, Performance and Change and the whole Team for the comprehensive report and Members discussed the following:

- How aligned the draft MTFS would be aligned with new objectives in the Corporate Plan and reflect the objectives next year.
- While the principles underpinning the MTFS were sound, it would be useful when BREP met next year to see the calculations behind the conclusions to the draft budget proposals.
- Pressures on back office functions.
- The need for national legislative commitments e.g., Homelessness, Climate Change, Social Care, etc. to be fully funded from central government and the representations made by Cabinet and WLGA to make the case that national legislative commitments are fully funded.

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- Consequentials for funding Care and support in Parc Prison, Welsh Medium provision, Universal Primary Free Primary School Meals.
- What work has been done to implement the Socio economic Duty.
- What could be done to explore longer term building Council's own housing capabilities to alleviate temporary accommodation, and exploration of solutions with RSL partners and bringing voids back into use.
- Potential for exploring additional income generation, reviewing fees and charges, council tax collection rates based upon proposed increase and the council tax reduction scheme.
- Inflation impact on pay costs, energy costs for Council buildings and contracts.
- School places and availability and planning for future expansion for population needs.
- Feasibility, deliverability and impact of 2% school budget saving on spend on education, potential for redundancies and impact on deficits.
- Pressure from ceasing previous short term Grant funding in Social Care.
- Maintaining safety net provision if a provider fails.
- Pressures on Adult and Children Services and the need to protect.
- Sufficiency of £700k for Homelessness Prevention.
- Potential increase in fly tipping if Waste Enforcement Team cut and underspends in Communities.
- Collaboration with Cardiff Capital Region City Deal and also with Cwm Taf Morgannwg Regional Partnership Board.
- Sharing office space e.g., with South Wales Police.
- Property and building maintenance – potential assets for disposal, letting of Ravenscourt partially as it is partly used by the MASH Team and social workers working closely with them.
- Pressures in HR, Legal and Finance impacting on Directorates, reviewing how things are done, improving efficiency and increasing digital use.
- Workforce recruitment and retention and sickness absence levels, balancing filling key roles to deliver services but managing sickness.
- Costs of Agency staff.
- Digital transformation.
- Procurement alignment with net zero carbon strategy.
- Potential for using Reserves.
- Increased rate of real living wage from June 2023.
- Cost pressure for fully funding Ukrainian refugees post leaving host families.
- A safe footpath to a school to replace need for a bus and impact on environment.
- How to communicate to residents the council tax increase and where money is spent on which services.
- Only 7% of budget reductions due to policy changes and whether to look at discretionary services to protect statutory services in the future.
- Whether the underspend in Chief Executives Directorate and Council Wide budgets masks pressures in Social Services.
- Growth in relation to pay and non-pay and £1M allocated to CW2.
- No future year figures in Social Services and future demand modelling.
- COM 5 proposed budget saving to remove contribution to RNLI and ongoing discussions with Trecco Bay and potentially with Porthcawl Town Council.
- Whether any other budget reductions had been considered before those proposed.

The Chairperson advised that Members of the Committee who wanted to ask questions had all spoken, so as there were no further questions for the invitees, thanked them for their attendance and invited them to leave the meeting.

RESOLVED:

Following consideration of the report and appendices, the Committee made the following Recommendations for consolidation and inclusion in the report to Cabinet on the draft MTFS, including the proposed budget pressures and budget reduction proposals within the remit of this Scrutiny Committee, as part of the budget consultation process:

1. That Cabinet carefully considers the impact and cost of any necessary intervention by statutory services due to the removal of discretionary services, such as the Waste Enforcement Team in the Communities Directorate.
2. The Committee endorsed the recommendation made by BREP that *Cabinet raise with Welsh Government, the Panel's expectation that all national legislative commitments must be fully funded to allow the Council to have the capacity to deliver them in an efficient manner.*

That the Committee continue to lend their weight to lobbying of Welsh Government and central Government that has already taken place so that the Revenue Support Grant is not affected by any policy changes.

3. That consideration be given to more joint working across Directorates and more collaboration within the authority and external partners; working towards a 'One Council' approach.
4. The Committee endorsed the recommendation made by BREP *that it was essential that the public be informed of the proposed increased level of Council Tax as soon as possible with clear reasons and rationale for the increase.* The Committee also felt that it should be appropriately communicated to the public that for every £1 spent on services provided by the Council, only around 27 pence is funded from Council Tax.
5. In relation to COM5, the Budget Reduction Proposal of £38,000 by removal of support to RNLI for Lifeguards at Porthcawl Beaches, the Committee expressed concerns about funding provided to a golf tournament to actively encourage the public to visit Porthcawl and that this Budget Reduction Proposal would put the public at risk. It endorsed BREP's recommendation that *discussions be held with Porthcawl Town Council and Trecco Bay regarding potential funding and consideration also be given to decreasing the proposed budget reduction.*
6. Given that the risk status for the majority of the budget reduction proposals are marked red and have not fully developed, it is imperative that Cabinet consider the deliverability of the proposed budget reductions and the implication on setting a balanced budget.
7. Given the proposed 2% reduction on schools delegated budgets and the indicative 1% reduction every year thereafter for the MTFS period, that Cabinet provides more detail on how they are going to deliver the proposal and consider what impact that would have on individual schools and whether it would push any individual schools into a deficit position.
8. The Committee acknowledged the importance of back-office services such as, HR and legal and that emphasis should be on the necessity to ensure operational delivery is not compromised.

9. In order to meet the recommendations and conclusions from the Care Inspectorate Wales Inspections, the authority must have an adequate legal team and paralegals in place, rather than a reliance on agency staff. The Committee noted that whilst these roles were not entirely visible to the public, they had a crucial role in ensuring services are improved and recommended that Cabinet be mindful of that when considering the budget in areas of human resources and organisational development.

The Committee requested:

10. Given the reliance of the Social Services and Wellbeing Directorate on short term grant funding, the value of short-term grant funding be presented to the next meeting of COSC on 31 January 2023.
11. Feedback following the discussions between the Cabinet and the Welsh Government Minister regarding support for Ukrainian Refugees and their hosts.
12. With regard to the CEX1 Budget Pressure of £700,000 in homelessness support, whether there are any specific grants available to the Council in this area and, when a Ukrainian host placement comes to an end, whether the monthly payments that would have been made to hosts, could instead be paid to the Council to help fund temporary accommodation.
13. The Committee noted that the MTFS contingency reserve figure currently stands at £906,000 and that there had been no draw down this year. The Committee proposed to explore at its next meeting on 31 January 2023, whether and how there might be a drawing down on that particular reserve in order to sure up services proposed to be cut.
14. An explanatory note be presented to the meeting of COSC on 31 January 2023 from each Corporate Director on whether they can identify any significant variances (increase or decrease) in their budget for 2023-24 together with any narrative.
15. That the occupation and prospect of letting wings of Ravenscourt and Civic Offices be kept under review to identify any additional income that may be generated and any future savings.

The Committee endorsed the following BREP Recommendations:

1. That the BREP process in 2023/24 commence as soon as possible in the financial year to allow for more detailed discussions on the budget to enable the Panel to provide more meaningful Recommendations. The Panel requested that they be presented with:
 - a. the full budget book breakdown to include all the various options being considered by Cabinet;
 - b. greater narrative by cost centre; and
 - c. information about discretionary and statutory services, a cost breakdown of what is statutory and what is discretionary and the impact of any potential budget reductions on each.
2. Concerns were expressed over the high risk of deliverability of the proposed budget reductions given that the risk status for the majority of the proposals are marked red and have not been worked up yet. The Panel would have liked more narrative from Corporate Directors/Officers setting out how they were to achieve the proposed

reductions and recommended that this information be provided to future Meetings of BREP.

7. The Panel considered the proposed removal of the waste enforcement team would be counterproductive and lead to increased costs in the areas of waste and fly tipped waste removal. The Panel recommended that alternatives to a complete removal of the team be explored and supported the proposal of possibly merging teams to provide a reduced service rather than a complete removal of the waste enforcement team.

13. In light of the majority of responses to the public budget consultation indicating that respondents supported Council Tax remaining the same, that a response be provided to respondents who engaged to ensure they understand the rationale behind the budget and the reason for decisions taken to ensure they feel that their views are valued and have been taken into consideration.

44. **URGENT ITEMS**

None.