

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE - TUESDAY, 30 JANUARY 2024

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, 30 JANUARY 2024 AT 10:00

Present

Councillor A Williams – Chairperson

F D Bletsoe

RM Granville

M Jones

AJ Williams

Present Virtually

H T Bennett
T Thomas

S J Griffiths
G Walter

M L Hughes

RL Penhale-Thomas

Apologies for Absence

P Davies

Janine Nightingale

Officers:

Rachel Keepins
Meryl Lawrence
Stephen Griffiths

Democratic Services Manager
Senior Democratic Services Officer – Scrutiny
Interim Scrutiny Officer/ Democratic Services Officer - Committees

Invitees

Councillor Huw David
Councillor Jane Gebbie
Councillor Hywel Williams
Councillor John Spanswick
Councillor Neelo Farr
Councillor Rhys Goode
Councillor Jon-Paul Blundell

Leader
Deputy Leader and Cabinet Member Social Services and Health
Cabinet Member Resources
Cabinet Member Climate Change and Environment
Cabinet Member Community Safeguarding and Wellbeing
Cabinet Member Housing, Planning and Regeneration
Cabinet Member Education

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Mark Shephard Chief Executive
Carys Lord Chief Officer - Finance, Performance & Change
Claire Marchant Corporate Director Social Services and Wellbeing
Lindsay Harvey Corporate Director Education and Family Support
Kelly Watson Chief Officer Legal, HR and Regulatory Services

Alex Rawlin Corporate Policy & Public Affairs Manager
Kate Pask Corporate Improvement Officer – Performance

Deborah Exton Deputy Head of Finance
Nigel Smith Group Manager - Chief Accountant

Officers:

Rachel Keepins Democratic Services Manager
Meryl Lawrence Senior Democratic Services Officer - Scrutiny
Stephen Griffiths Interim Scrutiny Officer/ Democratic Services Officer - Committees

Declarations of Interest

None

103. Medium Term Financial Strategy 2024-25 to 2027-28 and Draft Budget Consultation Process

Decision Made	<p>Following detailed consideration of the report and its appendices with Cabinet Members and Officers, the Committee agreed to submit the Recommendations in Appendices A and B to Cabinet on 6 February 2024 as part of the budget consultation process, subject to the following additions and amendments:</p> <p>Review of Budget Process Given various concerns expressed over the overall Budget process and particularly the future purpose of the Budget Research and Evaluation Panel, the Committee supported the recommendation of SOSC 3 that a full review be undertaken. As part of this the Committee requested that consideration be given to the BREP process starting much earlier in the year, with a framework for a continuous process throughout the</p>
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year whereby timely responses to requests for information are provided to BREP as well as the budget book shared directly with Members. The Committee also requested that BREP have more emphasis and focus on the Local Authority's consultation with the public and receive more feedback from broader conversations with residents.

(Amended from part of COSC original recommendation 4)

In relation to any BREP review and potential amendment to the Terms of Reference of BREP, the Committee noted the response from the Chief Officer Legal and Regulatory Services, HR, and Corporate Policy that whilst BREP was quite unique to Bridgend, it was not as straightforward as COSC deciding what BREP could do, and there was a process and other options needed to be considered to see if there was something more workable but would need to be taken away and proposals developed to put to the relevant body to make a determination.

Capital Programme

(Amended from part of COSC original recommendation 4)

Following discussions regarding the Capital Programme with a review of the Capital Programme to be considered by Council in early 2024, the Committee highlighted the point that should many of the budget proposals highlighted as red not come to fruition, and given the revenue implications from the Capital Programme, Capital expenditure may have to be delayed and revisited. The Committee therefore requested that the Capital Programme be considered as part of the BREP process for 2024/25 in order to consider and scrutinise the detail sufficiently.

Funding from Welsh Government

Members referred to various discussions held recently by all Scrutiny Committees and evidence provided by Cabinet Members and Officers in which serious concerns were raised over the Council's capacity to deliver on new Welsh Government legislation without the assurance of sufficient funding. The Committee therefore recommend that not only do the Scrutiny Committee write the Minister for Finance over this but also recommend that Cabinet do the same to lobby Welsh Government and UK Government through the WLGA, to stress that it is simply unsustainable for Local Authorities to exercise their statutory duties as well as implement new legislative changes without the consequential financial resources and, in addition, the human resources to deliver their policy objectives.

The Committee also emphasised the point made by SOSC 2 in relation to their concerns around the instability that reliance on short term grant funding causes as well as SOSC 1's comments on the need for earlier clarification on any external or central budget allocation. To add to this, the Committee requested that there was also a need to lobby Welsh Government for a multi-year funding settlement so that more informed, longer term budget planning could be undertaken.

Amended COSC original Recommendation 5

Following discussion regarding staffing reductions across multiple areas of main Council back-office services, the Committee recommended that a qualitative impact assessment be undertaken of the cumulative and longer-term impact of these reductions on the Local Authority. Appreciating that a full assessment would take time and would take place after the 2024/2025 budget settlement is agreed, the Committee recommended that Cabinet evidence how they have considered the interconnectivity between budget reductions and the potential impact this will have on achieving the budget savings. As well as the example given above regarding the impact of staffing reductions to main Council back-office services, there are also further examples such as the impact that cuts to schools and educational support services will have on vulnerable children and young people, potentially resulting in increasing pressure on social services.

Linked to this the Committee expressed concern at the overall robustness of the budget, given the comments above on the interconnectivity of budget cuts and the negative impact they could have on other services as well as the number of reduction proposals identified as red in terms of risk of achievability. Added to this is the prediction that 80% of schools will result in deficit budgets should the 5% delegated school budget saving go forward for 2024/25. Whilst acknowledging that schools would put in place deficit recovery plans, Members stated that there was the risk that if these plans weren't successful after 3 or even 5 years (if extended) the responsibility including potential intervention/management of such schools would fall back on the Local Authority. This is aside from any additional support and potential intervention required from the Authority during the time the recovery plan. The Committee requested reassurance over how these aspects had been assessed to ensure the robustness of the budget put forward, both for 2024/25 and also in the longer term, to ensure that these savings would not result in increased demands and costs down the line.

Transformational Change

As well as the need to look at other Local Authorities for new ways of working and best practice, given the innovative work that has been taking place within the Social Services Directorate, such as looking at different ways of working, reviewing and redesigning services and creative solutions to staffing issues, the Committee recommend that these be shared across Directorates as part of the Authority's focus on transformational change.

COSC Priorities

Given the evidence provided by Headteachers at the SOSC 1 meeting over the impact a proposed 5% cut to schools delegated budget, with it being quoted as 'horrific', it was the view of COSC that should any additional funding be provided by UK Central Government for teacher pensions, priority should be given to reducing the proposed cut to school delegated budgets, taking into account SOSC 1's recommendation on

this, as well as reducing the proposed council tax increase.
It was recommended by the Committee that should the additional funding from Central Government not be sufficient to revise these budget reductions, and potentially others proposed by Scrutiny Members, a cost benefit analysis should be undertaken to consider what services the Authority are statutorily obliged to provide and what is being provided above and beyond through discretionary services, recognising that some services do play a preventative role in reducing the need for statutory intervention.

Income generation

The Committee recommended the need to consider every possible opportunity to maximise income generation across the Authority, from sharing services with others, looking to partners, the third sector and other Local Authorities to proactively offer the Authority's services where there is a potential for income to be generated, in order to mitigate future budget reductions.

The Committee recommend that where possible, full cost recovery is prioritised, with examples such as bulky waste collections, Porthcawl Harbour and the street works permits. Furthermore, the Committee recommend that where possible, through reducing subsidies to services where appropriate and consideration of additional commercial income generation, these funds be used to offset some of the Communities Directorate costs or savings, that are public facing and viewed by the public as most commonly associated with their Council tax.

Social Services General

The Committee expressed concern over the rising cost of social care for both children and adults as well as the rising costs associated with out of Authority care experienced children. Whilst the Directorate was changing how it provided services, supporting the comments of the Chief Officer - Finance Performance and Change, the Committee recommended that very close and careful monitoring was required to ensure that there was not a repeat of this year's budget situation with significant overspends causing increased pressure and implications across Council wide budgets.

EDFS5

The Committee recommend that proposals such as merging of schools at EDF5 be re-considered to determine whether these savings can be front loaded and made sooner rather than later.

Additional Requests

1. Following discussion around the impact of budget reductions and reduced resources, including that available to Members, the Committee requested that the Democratic Services Committee consider the changes being proposed for support services to Members and Committees, such as more remote meetings, the number of meetings as well as general resources provided to Members, to potentially assist in making these efficiencies for the future and reducing pressure on staff, particularly in relation

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	<p>to the running of meetings.</p> <p><u>Additional Information</u></p> <p>2. The Committee requested that clarification be sought as to what the 500k identified under budget pressure EFS4 will cover as there were varying figures provided in relation to this.</p>
Date Decision Made	30 January 2024

104. Budget Monitoring 2023-24 - Quarter 3 Revenue Forecast

Decision Made	<p>Following consideration of the report with Cabinet Members and Officers the Committee concluded the following:</p> <p>Comments and Recommendations</p> <p>3. It was agreed that clarification on the figures for the number of experienced children in out of county placements as well as those in other provision such as Heronsbridge would be provided in any future reporting to Scrutiny, including in budget reports.</p> <p>4. Members queried the underspend in the Council tax reduction scheme in that this underspend had risen since last year, and expressed concern that the process and criteria had potentially become too rigid. Providing personal examples of where this might be the case from residents within the borough, Members recommended that the application process be reviewed to determine whether the process had in fact become too rigid, preventing some people, who should be eligible given their personal circumstances, from accessing this funding.</p> <p>Additional Information Requests</p> <p>5. The Committee requested the following information as a result of their discussions surrounding the 2023/24 budget:</p> <p>a. The figure for the Council's Contingency Reserve;</p>
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	<p>b. Clarification on how many Out of Authority children are attending Heronsbridge and Ysgol Bryn Castell Schools and how much the Authority receives for these placements compared to the cost of sending our own children out of county where there are no spaces in county;</p> <p>c. Clarification over the overspend within Fleet services and reassurance that any costs relating to third parties such as South Wales Police are fully recovered.</p>
Date Decision Made	30 January 2024

105. Corporate Plan / Delivery Plan Review for 2024/25

Decision Made	<p>Following consideration of the report with Cabinet Members and Officers the Committee concluded the following:</p> <p>6. Members referred to the Councillor Portal for Member Referrals and requested that as Councillors are service users in this process, as they raise referrals from residents, a set of PIs to consider timely responses to these via the portal be incorporated. Members also urged the Chief Executive to look at the use of an analytical tool to provide this within the resources available.</p> <p>7. The Committee agreed that there were definite priority PIs that needed to be retained in the delivery plan, such as those associated with Schools, Social Services and Wellbeing as well as any associated with Homelessness. However, Members proposed that the PIs and points previously suggested by Scrutiny Committees remain for now and be revisited in March 2024 to consider the full implications of the budget reductions and resulting resources available.</p> <p>Additional Information Requests</p> <p>8. The Committee referred to the Communication Peer Review undertaken in 2023 and requested that they receive a copy of this report.</p>
Date Decision Made	30 January 2024

106. Capital Strategy 2024-25

Decision Made	<p>Following detailed consideration of the report and discussion with Cabinet Members and Officers, the Committee made the following comments and recommendations in relation to the Capital Strategy:</p> <ol style="list-style-type: none">9. Members expressed concern regarding the unknown implications and risks associated with Bridgend Market including the potential financial implications for the Authority. The Committee asked that this be reflected somewhere in the Strategy to highlight the future potential schemes and costs this may result in.10. The Committee highlighted the need to be realistic in relation to what can be achieved by the Authority, expressing concern over the potential future revenue implications of the Capital Strategy. Whilst recognising that revenue implications form part of the decision-making process, the Committee supported the proposal by the Leader to strengthen this point within the Strategy.11. Following discussion around the Council's assets and the need to review and dispose of them where possible in order to release some income, the Committee recommended that consideration be given to whether Porthcawl Harbour could be such an asset that could be run just as well privately.12. In relation to the Capital Programme Board, the Committee recommended that a review process of the Board be undertaken and included within the Strategy, to make sure that it is fulfilling its Terms of Reference and to consider aspects such as frequency of meetings, membership and whether there are areas that the Board should be considering given the challenges facing the Authority.13. Whilst appreciating that there might be grant funding available to buy-in expertise required to manage Capital projects, Members expressed concern around the possibility that current staff resources could be moved to meet the needs of the numerous Capital projects, thereby taking away from the day to day, business as usual, of the Council. There was further apprehension over this given the issues the Authority has already experienced in attracting qualified professionals into such project management positions. It was proposed that this be monitored closely including by Scrutiny during future consideration of the Capital Programme. <p>Additional Information</p> <ol style="list-style-type: none">14. The Committee requested clarification on when the investment period for the Council's Investment properties, quoted at a value of £5.845 million in the report, actually started and also whether there are any CIPFA returns relating to this investment.
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	15. In relation to the Mutual Investment model for the development of schools, the Committee requested that clarification be provided, when available, as to the actual level of revenue costs the Authority will have to contribute on an annual basis over the 25-year contract period.
Date Decision Made	30 January 2024

107. Urgent Items

Decision Made	None
Date Decision Made	30 January 2024

To observe further debate that took place on the above items, please click this [link](#).

The meeting closed at 15:09.