

Overview and Scrutiny Committees' Comments and Recommendations on the Medium Term Financial Strategy 2024-25 to 2027-28

Corporate Overview and Scrutiny Committee - 17 January 2024

Chief Executive's Directorate and Council Wide:

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

Recommendations:

1. The Committee recommended that communication with the public be improved using as many different means as possible and that a simple pie chart graphic be distributed to residents of the borough identifying where funding comes from and how it is spent.
2. The Committee recommended that there should be an in person option for the Budget consultation and other mechanisms and different communications tools used to reach people who are digitally excluded, having regard to concerns expressed by residents who felt disenfranchised as they were unable to access an online budget consultation.
3. The Committee requested a list of all services the Council provides to residents, businesses, whomever, including whether they have a level of statutory element or are completely non statutory, understanding that it is a significant piece of work but providing sufficient detail to feed into the Budget Research and Evaluation Panel (BREP) for next year's Budget considerations and the need to identify future savings for the next few years while understanding the impact of potential changes on residents. The Committee recommended that the future BREP process could then sit upon that registry of services to inform decisions going forward.
4. Following discussions regarding the remit of the BREP and the Capital Programme and that a revised Capital Programme would be considered by Council in February, the Committee proposed that next year the Capital Programme should form part of the BREP process in order to look at the detail and sufficiently scrutinise, and also asked whether the Terms of Reference of BREP could be amended by the Corporate Overview and Scrutiny Committee (COSC) to redefine the remit for the next year.

The Committee welcomed the response from the Chief Officer Legal and Regulatory Services, HR, and Corporate Policy that BREP was quite unique to Bridgend and it was not as straightforward as COSC deciding what BREP could do, there was a process and other options could be looked at to see if there was something more workable but would need to be taken away and some proposals developed to put to the relevant body to make a determination.

5. Following discussion regarding staffing reductions across multiple areas of main Council back office services, the Committee requested a qualitative impact assessment of all those changes taken together to understand the impact of this reduction in head count and the significant longer term impact, and welcomed the Chief Executive's response of the need to reflect on how achievable it would be and that he would discuss with colleagues about whether this could be done.
6. The Committee recommended that potential income generation opportunities from sharing services be actively explored, proactively offering the Authority's services where there is potential for income to be generated, to mitigate against some of the future budget reductions which would be required over the course of the Medium Term Financial Strategy.
7. The Committee discussed strategic responsibilities that the Authority will be unable to deliver, including:
 - Reduced capital receipts reducing the ability to borrow for capital projects, as borrowing is based upon ability to pay back.
 - Inability to deliver the Strategic Transport Plan, etc.
 - a. The Committee recommended that these and other similar risks should be contained in the Corporate Risk Register and be properly scrutinised and subject to an objective review of risk management to ensure that the risks are being properly analysed and mitigated.
 - b. The Committee also recommended that operational risk be monitored by the Corporate Overview and Scrutiny Committee as the overarching Corporate Scrutiny Committee, in addition to monitoring of governance and financial risk by the Governance and Audit Committee.
8. The Committee agreed to defer any additional final recommendations until the meeting of COSC on 30 Jan 2024, when all Subject Overview and Scrutiny Committees would be received.

Subject Overview and Scrutiny Committee 1 – 18 January 2024

Education and Family Support Directorate and Schools:

Following detailed consideration and discussion with relevant Cabinet Members and the Corporate Director the Committee made the following recommendations and comments:

Recommendations:

1. SCH 1

In relation to the proposed reduction related to Schools Delegated Budgets of 5% in 2024-2025, Members expressed strong concerns over the size of the saving for the forthcoming year and the potential impact this would have on school budgets, with reports stating that this was unsustainable and would result in over 80% of schools within the County Borough going into deficit.

Evidence provided by representatives of the School Budget Forum highlighted the recent significant increase of vulnerable learners that has been seen by all schools since the pandemic, more than has ever been seen before. It was reported that the impact of the proposed 5% reduction to school budgets, together with the further proposed reductions in support services, could severely affect vulnerable learners.

- a** In order to lessen the impact as much as possible and enable schools more time to plan and prepare, the Committee recommend that the proposed saving of 5% be reduced and spread out across years 2, 3 and 4, starting with only a 2% reduction for 2024-25, followed by 2% for each year 2-4, thereby still making the overall 8% required.
- b** To fill this budget gap, the Committee recommend that Cabinet consider utilising any potential funding the Authority might receive from Central Government relating to teacher pensions as well as revisit the proposed budget pressures of £11,856m and consider which ones could be postponed for 2024-2025.

2. EFS 12, 13 and 14 Support Services and Pupils with Additional Learning Needs

The Committee highlighted the negative impact the proposed reductions of EFS, 12, 13 and 14 would have on pupils with Additional Learning Needs (ALN) as identified by Headteacher representatives at the meeting. Members were particularly concerned with the fact that these reductions could result in the Authority not meeting its statutory duties to these children and young people in meeting the timescales for assessments. The Committee strongly supported the view of how important these assessment for pupils with ALN were, many of which have complex needs, thus requiring a swift assessment so that they are able to access the support services they require.

As a result of these concerns and the Authority's legal obligation to these pupils, the Committee recommend that EFS 13 and 14 be removed from the budget

reduction proposals and that these associated budgets be ringfenced against future reduction. Members proposed that this saving of £67,000 could potentially be found from within the proposed £500,000 growth proposed under EFS4, and asked for clarification for the Corporate Overview and Scrutiny Committee, of what this £500,000 incorporated, for consideration by Members at the final budget meeting on the 30th of January.

3. Statutory Services and Duties

Building upon the above recommendation, the committee expressed strong concern over all proposed reductions which highlight a potential impact in meeting the Authority's statutory duties. Members highlighted the significant ramifications this could have for the Local Authority and recommend that Cabinet guard against this as a priority, revisiting those proposals which put the delivery of statutory duties at risk.

4. Financial Scheme for Schools

Whilst appreciating that proposed changes to the school funding formula (other than that bound by legislation) can be raised and discussed by the School Budget Forum, Members highlighted the fact that as circumstances have changed so much since the Covid pandemic, and the funding pressures now being faced by schools, there was a need for the Local Authority to instigate a review of the financial scheme for schools. The Committee also expressed concern over reports that primary school governing bodies may have not been involved or consulted upon previous reviews and changes to the funding formula. The Committee therefore recommend that a full review of the financial scheme and funding formula for schools be undertaken, with full involvement of both primary and secondary governing bodies supported by training provision on this subject so that governors, who are, after all, volunteers, are suitably informed to participate fully in the review.

Comments

- The Committee supported the view that there was drastic transformational change needed across the Local Authority in order to meet future service provision within difficult budgets. However, it was highlighted that care needed to be taken where budget reductions have additional ramifications on other services, such as schools, to not unduly burden those services, on top of their own reductions.

Additional Information

In order for Members to have a full picture of the staffing reductions for the Local Authority going forward and their ramifications, they requested that they receive sight of all basic staffing restructures, noting that care was needed so as to not identify individual staff members. The committee asked if this information could illustrate the situation before and after any proposed restructure so as to view the full implication.

SOSC 1 Forward Work Programme

Home to School Transport

The Committee commented positively on the proposal to commence a review of the Authority's Home to School Transport provision rather than wait until Welsh Government complete their own review, given the difficult budget situation the Authority now faces. The Committee asked that when reported to scrutiny at a future meeting, information is provided on:

How many children receive HTST due to the lack of safe routes to school;
The impact any reduction might have on Welsh Medium education provision, including how to prevent these pupils being adversely affected.

Letter to Welsh Government

Whilst acknowledging the proposed 3% budget increase from Welsh government as part of its draft settlement, the Committee expressed serious concerns regarding the mounting pressures on local services including schools and social services, and the fact that the settlement was simply not enough to cover such pressures. The Committee appreciate that this was the same for all Local Authorities, however, given reports received that the Minister wished to protect school budgets, Members stated that more needed to be done by Welsh Government to support and fund Local Authorities appropriately. The Committee therefore agreed to write to Welsh Government to highlight these issues and to support Cabinet in putting extra pressure on Ministers to address the funding situation for Local Authorities.

In addition to this, the Committee asked that this letter to Welsh Government also highlight the need for Local Authorities to receive earlier clarification on any external or central budget allocation. This is as a consequence of the ongoing uncertainty currently being experienced in relation to teacher pensions and whether these will be centrally funded. Without such information, it is extremely difficult for Local Authorities to effectively plan and produce, and more importantly consult on, a correct and informed balanced budget.

Subject Overview and Scrutiny Committee 2 – 19 January 2024

Social Services and Wellbeing Directorate:

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

Recommendations:

1. The Committee recommended that to protect our most vulnerable, given the better than expected settlement equating to an additional £1M and any other potential additional funding received by the Final Settlement, that Cabinet be asked to reassess the following Budget Reduction Proposals for the reasons stated for each:
 - a. **SSW16** - The Committee expressed concern regarding the removal of 50% of the budget to reduce or remove support for children and young people with additional needs and families to access community activities and opportunities, given the potential high impact upon the individual and their families and risks detailed in the report.
 - b. **SSW20** - The Committee expressed concern regarding the removal of the caseworker resource and efficiency savings from the third Sector Contracts - hospital discharge and that the loss of this service could impact negatively on timely support for people to return home from hospital.
2. Given that a number of Social Services and Wellbeing Budget Reduction Proposals include reference to Reviews, the Committee seeks clarity as to what is still under consideration going forward, the risks to the deliverability of any proposals that include reviews, and whether they can be relied upon to set a balanced budget.
3. The Committee expressed concern regarding the lack of recognition of the difficulty of setting budgets based on short term reliance on Grant funding, the instability and uncertainty when short term Grant funding is removed and the impact on the stability of providing services. The Committee recommended that a letter be sent to Welsh Government lobbying for the discontinuation of short term Grant funding in favour of sustained long term funding included in the settlement.
4. The Committee reflected on the high cost of Independent Residential Placements for Care Experienced Children and the cost of those placements that were Out of County and while recognising the complexities and difficulties and whilst supporting the plan in place and the work ongoing, recommended that bringing those placements back into county provision where possible be emphasised as a priority, to meet needs and work towards reducing the cost over two to three years.

Additional Information

Following detailed consideration and discussions, the Committee requested:

Independent Residential Placements for Care Experienced Children - How many placements out of county and in county and the costs.

Budget Pressures:

SSW3 – Increased cost of Home Care for Adults with Learning Disabilities:
Information regarding the amount of lost grant funding in the Learning Disabilities budget and reductions in other Grant funding referred to that impacted on the Learning Disabilities budget.

General - Communications with Welsh Government Finance Committee be circulated to the Committee Members.

Budget Reduction Proposals:

SSW11 - BCBC to waive protections on concessionary pricing and discounted rates for the more vulnerable in leisure settings:

clarification of what else is included in that budget line of £1.271M and an explanation of whether this saving / budget line is from within the HALO Management fee of £1.399M or not.

SSW22 - BCBC consider efficiency savings from Third Sector Contracts - Substance Misuse Services:

An explanation of the narrative why: *“no new referrals from BCBC have been made this year”*.

SSW26 - Increasing Charges for in-house care homes:

Details of the charge and increase for those residents paying the full cost of in-house residential care charges, arising from this proposal for full cost recovery.

Subject Overview and Scrutiny Committee 3 – 22 January 2024

Communities Directorate:

Following detailed consideration and discussion with relevant Cabinet Members and the Corporate Director, the Committee made the following recommendations and comments:

Recommendations:

General Comments and Recommendations

Welsh Government Funding

The Committee expressed concern over the lack of funding provided by Welsh Government for new legislation introduced and the resulting impact this had on Local Authority budgets in meeting new requirements. The example used was Universal Free School Meals, and whilst not part of the Communities remit, Members highlighted that the requirement for funding for UPFSM puts pressure on the Local Authority budget and has resulting implications on all services when having to fund budget gaps in the overall Council budget. The Committee therefore supported any proposal for the Corporate Overview and Scrutiny Committee to write to WG to express these concerns and request that new legislation be accompanied by suitable, sufficient funding.

1. Budget Consultation Process

The Committee discussed the overall budget consultation process, highlighting that whilst having the opportunity to present an alternative budget and proposal, as many Members who do not sit on the Corporate Overview and Scrutiny and are therefore not involved in the Budget Research and Evaluation Panel, it was very difficult for other Members to know any detail for any alternative proposals. The example of Porthcawl Marina was used, in that if the Committee had known last year that the Authority subsidised this, they might have potentially proposed this as an alternative saving to be made last year in place of something else. The Committee therefore recommended that the whole budget process needed revising and improving with the aim to work together, as 'One Council'. The Committee agreed to work with the Welsh Local Government Association on a review of Scrutiny, with particular focus on the budget consultation process.

2. Street Works

Whilst noting the comments provided in relation to the Authority's Street Works team and that costs could only be sought on permits to cover the Council's own costs, the Committee recommended that the Directorate explore what other Local Authorities were doing in this area, including Carmarthen County Council, to determine if there was any possibility at all of income generation.

3. COM 6

In relation to Bereavement Services and potential future efficiency savings, Members recommended that the Local Authority engage with Town and Community Councils to consider where they might be able to assist and take on some future responsibilities for the maintenance of cemeteries within the County Borough.

4. COM8

- a** Whilst acknowledging that the proposed closure of Bridgend Bus station relates to 2025-2026 budget savings, the Committee expressed strong concerns over the impact of this proposal including how it will affect the community, Bridgend town and its transport links. The Committee referred to other large bus stations in other Local Authorities where they have utilised wall space with advertising, thereby creating an income for the Authority. Given the amount of potential advertising space that is available at Bridgend Bus Station, the Committee recommended that the Authority remove COM8 as a potential efficiency saving and instead replace it with a proposal for potential commercial income generation in order to protect the bus station for the future.
- b** In addition to this, supporting what the Corporate Director, Communities stated about looking at the Council's assets and how they could be more energy efficient, the Committee recommend that the Directorate explore potential energy efficient initiatives that could be made on Bridgend bus station. Members suggested that solar panels, for example, could be installed on this facility which could assist in mitigating the station's associated costs.

5. COM9

In relation to the cessation of the Shopmobility scheme, the Committee recommended that the Authority consider approaching Bridgend Town Council to explore if they had any interest in taking on and maintaining the service.

6. COM10

The Committee supported the proposal to review berthing fees for Porthcawl Marina, with agreement that the Council should not be subsidising this. The Committee were of the view, and therefore recommended, that this could be considered further, if not this year, for future years, to explore if there was any potential to increase the berthing fees for the marina as a method of income generation for the Authority.

7. COM20

- a** The Committee had numerous concerns regarding COM 20 and the proposal to remove additional street cleansing resource given the potential visual and environmental impact this could have on communities across the Borough. Members recommended that if funding is provided via Central Government for

teacher pensions, £125,000 of this be utilised to continue to fund street cleansing, thereby removing COM20 from the budget reductions.

- b** In addition to this, as part of the need for transformational change within the Authority, the Committee recommend that the Council consider the potential for multi-skilled teams of staff who could cover a wider remit, such as grass-cutting and street cleaning as one example. The Committee propose that the Directorate look at what neighbouring Local Authorities are doing in this area, with the aim to provide a more effective, joined up service within Bridgend.

8. COM25

- a** In relation to the proposal to close all Community Recycling Centres by an additional day per week on the weekend, the Committee felt this was not acceptable, particularly given the fact that it had not seen the impact of the first day of closure as this has yet to come into effect. In light of the impact this could have for the public and the Authority, including the visual impact and associated costs from a potential increase in fly-tipping, the Committee recommend that this proposal be removed. Members instead propose that some of this £60,000 be found by moving forward with the proposal to commercially let the Pandy Depot, identified at COM24, bringing this into 2024-25 savings.
- b** Members also recommend that if further savings are still required, the Authority look instead to potentially reduce the opening hours for the Centres, rather than closing for an additional full day. Finally, in a worst-case scenario, should the Centres have to close for a second additional day, the Committee recommend this be another weekday, not a weekend, when the majority of the public would be looking to utilise the Centres.
- c** Linked to COM25, the Committee further recommend that the Authority consider potential ways the Community Recycling Centres could work smarter, such as the introduction of appointments to reduce queues. Members commented that some Local Authorities had introduced appointments during the pandemic and had continued with this method as it had proved to be effective.

9. COM30

Members commented on the decision to revert back to diesel waste vehicles and agreed that this was a suitable saving given the view of Members that there was not enough evidence that Hydrotreated Vegetable Oil (HVO) fuel offered any greater fuel efficiency or air quality benefits as well as any benefits to local business. In light of the current and predicted future financial situation the Authority finds itself in, the Committee recommended that going forward no such 'green innovation' should be pursued unless it either contributes to revenue savings, offers a direct and tangible benefit to residents or enables a consequential efficiency elsewhere in the Council budget.

Additional Information Requests

Linked to COM3 and COM4, the Committee requested that they be provided with the statistics for fly-tipping in the County Borough for the last 3 years.

Linked to COM13 and the considerable cut to the Climate Emergency Programme, the Committee requested detail on what external grants and funding the Authority currently received for this and where it could look for further in order to achieve its targets.