

# Meeting of Corporate Overview and Scrutiny Committee

23 October 2023

## Responses to Recommendations/Actions

### Budget Monitoring 2023-24 – Quarter 2 Revenue Forecast

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

1. That the Committee write a letter, to the Welsh Ministers for Climate Change and Education and Welsh Language expressing their concern regarding the delay in publishing the outcome of the review into Home to School Transport and requesting that it be expedited, which would enable the Council to consider difficult but necessary options regarding the challenging Education and Schools budget positions.

Copy Letter Sent – Attached as Appendix A.



Appendix A - Letter  
to Deputy Minister f

#### Response

Copy Letter Received - Attached as Appendix B.



Appendix B -  
Response from WG C

2. That a communication be shared publicly, clearly demonstrating the complex issues contributing to the cost pressures in the Social Services and Wellbeing Directorate and showing, for example, the cost of services per head.

#### Officer Response

Communications on the budget position is now being finalised to start being released in December. This information will include details of cost per head and how the Council's services are funded.

#### Additional Information

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

3. A written update regarding the aim and purpose of the 5-Point Action Plan to target in-year spend and details of the progress made against it.

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### Officer Response

Corporate Management Board have devised a 5-point action plan, approved by Cabinet and implemented on 1st October 2023 at the half year point intended to restrict expenditure across the Council in view of the projected Corporate overspend of over £11 million at the end of quarter 2. It is recognised that the measures in place are in many cases a 'blunt instrument' and do not represent a sustainable budgetary plan for the medium to long term, but it is anticipated they will help 'turn off the tap' of some expenditure for the remainder of this financial year and reduce the overall financial overspend at year end.

#### ***Action 1: A selective and intelligent vacancy freeze, involving very strict vacancy management with a presumption against advertising and appointing to most vacant posts.***

This measure will reduce the spend on staff costs but is selective because we recognise that in some cases to not make an appointment will have other unintended consequences, including potentially increasing demand and risk in areas such as social care and increasing agency spend. Therefore, in some areas such as for social workers, an exception has been made but any service area through their Head of Service can make a business case to make an appointment and if it is compelling an appointment may still be allowed by CMB. In the medium to long term this measure is likely to lead to some teams being depleted where staff have left and not been replaced, and others remaining stronger where that has not happened, so in due course it will need to be reviewed. The measure is based on a reduced number of appointments and ultimately on reduced spend, contributing to a reduction in the projected corporate overspend. This can be monitored in time by measuring the number of appointments made across the Council but as we are less than 2 months into its implementation it is premature at this stage to meaningfully measure its success.

#### ***Action 2: Restrictions to day-to-day expenditure, which in the main should be 'essential' in nature.***

Inevitably defining essential spend is difficult and open to some interpretation, but the intention of the measure is essentially to restrict most low-level expenditure in Directorates which cumulatively amounts to a significant sum and often happens at a level that does not require senior manager sign off. Experience has shown that simply implementing such a measure and ensuring everyone thinks twice before incurring spend and that this is monitored closely, often means staff consider whether it is absolutely necessary or could be deferred. Again, it is not something that can be continued indefinitely as not spending in some areas will lead to service performance issues, but as a short-term measure it is likely to have an impact. It can be measured and monitored in due course, certainly in part, by closer monitoring of use of things such as procurement cards and introducing

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additional levels of sign off at a more senior level, although this needs to be balanced against excessive micro management and use of management time in an unproductive way.

### ***Action 3: Increase/Maximise charges in year.***

In reality the opportunity 'in year' to do this is limited but there are some areas of service where the introduction of a charge or an increase prior to the annual budget setting round may be possible. This is currently being explored and even if implementation is limited this year it will put us in a better state of preparation for early implementation of new charges next year.

### ***Action 4: Better use of the Council's estate.***

The main aim of this measure is to ensure the Council maximises the beneficial use of its estate and in particular its portfolio of buildings. In doing so a general presumption is made that hiring any external premises will cease (note some bookings may already have been committed to contractually prior to 1<sup>st</sup> October. The actual spend on any external premises is limited but at a time when we are seeking to save every pound, hiring external premises gives the wrong impression. More fundamentally the Council has come a long way over recent years in terms of the rationalisation of its estate (closure of Sunnyside, ending the lease on Sunnyside House, etc.) but this measure is also intended to accelerate other schemes such as freeing up and releasing Ravenscourt. Again the actual financial impact this year will be relatively limited but it sets the tone for future years and limits unnecessary spend. This can be measured in part by monitoring the spend, if any, on the hire of external premises in the second half of the financial year.

### ***Action 5: Maximising the use and claim of grant funding.***

The Council claims and receives many millions of pounds each year for a variety of different services and projects. In the main the grant conditions restrict the usage of the grant quite tightly for specific purposes. However, in some cases there may be flexibility to use grant to support core business, and thereby lessen core Council funding contributions to that service, or alternatively to ensure that all additional grant opportunities are fully exploited by bidding and claiming as robustly as possible. There is no evidence to suggest that this is not already done less that well but the difficult financial circumstances we currently find ourselves in requires us to double down on these opportunities and ensure every opportunity is taken fully.

The collective and cumulative impact of these measures will be better understood at the end of Quarter 3, with the overall key performance indicator being the impact on the overall projected overspend at the year end, but recognising that other factors such as ongoing exponential demand in areas such as social care and homelessness may offset any savings made in this way unfortunately.

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4. Detail regarding the costs associated with pursuing payment of outstanding Council Tax and the triggers and costs of Court action due to persistent non-payment.

### Officer Response

The maximum WG state that can be charged for the issue of a summons and liability order is £70. We charge the whole £70 for the issue of the summons.

The table below is the fee structure that has been set in legislation under the Tribunals Courts Act 2007 – Taking Control of Goods (Fees) Regulations Jan 2014. These fees are not negotiable and are the charges that the enforcement agents are allowed to charge.

**Table of enforcement fees**

Fee stage	Fixed fee	Percentage fees	
		£0 to £1,500	>£1,500
Administration/compliance stage (applied when enforcement company receives instruction).	£75	0%	0%
Enforcement stage (applied when EA makes first attendance).	£235	0%	7.5%
Sale (applied at first attendance for the purpose of transporting goods for sale).	£110	0%	7.5%

5. The best case, worst case and predicted case scenario modelling of further efficiency savings to Schools Delegated Budgets to provide Members with an indication of the number of schools likely to fall into a deficit position and requiring development of recovery plans.

### Officer Response

Based on current assumptions, 36 schools would be in a deficit budget position with a 1% budget cut, 50 schools would be in a deficit budget position with a 3% budget cut, and 55 schools would be in a deficit budget position with a 5% budget cut.

These projections have been based on current 2023-2024 delegated budgets and projected balances, and do not consider any retrospective adjustments to budgets (due to over or underestimated pupil numbers) or any increases or decreases in pupil numbers for next year.

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It should be noted that there is a planned 5% increase in teachers' pension/superannuation contributions with effect from April 2024, which, for example, would cost a medium-sized primary school an additional £45k per annum. However, it is envisaged that this will be funded corporately.

6. In relation to school meals and catering services:
- a) An indication of figures and possible outcomes of the ongoing formal review of prices of school meals; and
  - b) That the review considers, as far as the Welsh Government Guidelines regarding waste management allow, a review of portion sizes to ensure food sufficiency for older pupils and less wastage for younger pupils.

### Officer Response

- a) School meal prices in Bridgend are currently being reviewed as part of the medium-term financial strategy (MTFS) development process.

With the phased introduction of Universal Primary Free School Meals (UPFSM) ongoing and full implementation planned in readiness for the start of the school year in September 2024, any change to the pricing of a primary school meal at this time needs to be carefully considered.

A limited increase in school meal prices may bring in some predicted additional income if accepted, although this could not be guaranteed. This is because usually, any increase in the cost of a school meals has historically had a corresponding negative impact on a reduced take-up and therefore a reduction in income.

- b) Catering Services must analyse school menu provision within the 'Saffron' nutritional analysis database. Menu provision analysis within the Saffron system is overseen by the Welsh Local Government Association (WLGA).

There are standard portion sizes set for both primary and secondary school pupils. These standard set portion sizes must be met to achieve The Healthy Eating in Schools (Nutritional Standards and Requirements) (Wales) Regulations 2013 compliance certificate.

Welsh Government is currently reviewing The Healthy Eating in Schools (Nutritional Standards and Requirements) (Wales) Regulations 2013. Therefore, the local authority cannot independently review portion sizes, as this would result in non-compliance with the above legislation.

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### Performance Monitoring Improvement Plan

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

7. That the Committee write a letter, to the Auditor General for Wales expressing their disappointment that a representative from Audit Wales was unable to attend the Committee meeting, due to budgetary constraints, to help the Committee better understand Audit Wales' perspective.

#### Ongoing

Copy Letter Sent – Attached as Appendix C.



Appendix C - 14 Nov  
2023 - Letter to Audit

Copy Letter Received - Attached as Appendix D.



Appendix D -  
Response by Audit W:

8. The Committee expressed concern regarding their restricted ability to scrutinise public spending on capital projects due to commercial sensitivity.

The Committee referred to examples including the School Improvement Group, chaired by the Leader and the Children's Social Care Improving Outcomes Strategic Board, chaired by the Chief Executive, which consider sensitive Schools and Children's Services matters respectively.

The Committee requested whether, a similar Group or Board could be established to consider sensitive and commercially sensitive information regarding the Communities Directorate/Capital Projects and that a Member of the Scrutiny Committee be invited to sit on the Group or Board to provide assurance that public spend on capital projects is scrutinised.

#### Officer Response

As discussed in previous meetings a Capital Board has recently been established to oversee the governance of key capital projects. The effectiveness of this Board can be monitored and reviewed over the course of the next 12 months. The Capital Board does not have any decision-making powers and any Capital decisions will still go through the normal process for

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approvals which can be scrutinised in the usual way.