

Cabinet Scrutiny Committee

(Via Microsoft Teams)

Members Present:

5 January 2022

Chairperson: Councillor S.Rahaman

Vice Chairperson: Councillor S.E.Freeguard

Councillors: N.T.Hunt, S.K.Hunt, D.Keogh, C.James, S.A.Knoyle, A.Llewelyn, S.Miller, R.Mizen, S.Paddison, L.M.Purcell, S.H.Reynolds, R.L.Taylor, A.N.Woolcock and W.F.Griffiths

Officers In Attendance: K.Jones, A.Jarrett, A.Thomas, N.Pearce, C.Griffiths, H.Jones, F.Clay-Poole, A.James, N.Blackmore, J.Woodman-Ralph and C.Plowman

Cabinet Invitees: Councillors C.Clement-Williams, M.Harvey, D.Jones, L.Jones, E.V.Latham, A.R.Lockyer, P.A.Rees, P.D.Richards and A.Wingrave

1. Declarations of Interests

The following Member made a declaration of interest at the commencement of the meeting:

Cllr M Harvey

Re: Draft Budget for Consultation 2022-23 as Appendix 1 makes reference to CCTV and he is employed by South Wales Police.

2. Minutes of the Previous Meeting

The minutes of the meetings held on the 1 September 2021, 22 September 2021 and 17 November 2021 were approved, subject to the following comments on the minutes dated 1 September 2021:

During the scrutiny of the agenda item relating to the 'Management of Risk and Liabilities of disused Mine and Quarry Tips within the Authority and the future management of Coal Tip Safety', Members noted concern that although the responsibility for the maintenance of Coal Tips rests within the ownership of the County Borough and Welsh Government, the exploitation of the coal/minerals remained with the UK Government.

3. **Pre-decision Scrutiny**

The Committee scrutinised the following Cabinet Board items:

Corporate Plan 2022-2027 - Recover, Reset, Renew

Members received a report which was seeking approval to consult on an updated Corporate Plan for the period 2022-2027.

The Chief Executive stated that the report captured the Councils response to the pandemic, and set out the impacts on communities and the local economy; the impacts had changed the context of the way in which the Council needed to plan going forward. It was noted that the Council had a statutory duty to produce these plans and had to consider, as part of this work, whether the previous wellbeing objectives remained appropriate or if they needed to be changed; it had been concluded that the wellbeing objectives needed to be amended in light of the change of context. Another part of this work which was highlighted included looking forward to identify various factors that would have an effect in the future such as climate change, financial settlements and the Welsh Governments own programme for Government.

It was noted that the circulated report also summarised the initial recovery actions that the Council had taken; actions against recovery had proceeded as and when they could, dependant on the situation of the pandemic. One of the pieces of work Officers mentioned that they had completed was setting out the priorities for the next phase, which had been split into four new wellbeing objectives:

1. Best start in life for all children and young people;
2. Building thriving and sustainable communities by drawing on the strengths seen in communities during the pandemic;
3. Give a greater priority to the work carried out around local environment, culture and heritage;

4. Renew and intensify work in order to create good quality, green jobs in the area, and to help local people equip themselves with the skills and confidence to take up that employment.

Officers stated that all of this work will need to be underpinned by a significant organisational change programme within the Council; when developing the Corporate Plan, Officers had liaised with Members regarding the sorts of changes to the culture and ways of working that will need to be introduced. It was mentioned that at the heart of this change was being one Council; over the course of the pandemic, many departments across the Council had come together as a team, and silos between departments had been broken down. The Chief Executive added that this was going to be a really important part of the way the Council progresses forward.

One element that hadn't been completed yet was noted to be working out the measures in relation to the new wellbeing objectives; there was some work to be completed over the coming weeks to ensure that the Council could demonstrate the difference these will make. It was highlighted that Officers will be interested in any views the public may have about the ways in which the Council could measure success as part of the consultation. The Committee was informed that after the Election, there will be an opportunity for the new administration to undertake a further review of the Council's priorities and policies, which will be reflected in an updated Corporate Plan and medium term financial plan for the period beyond that.

Members made reference to the outcomes of the Let's Talk campaign, and stated that the level of responses varied, especially in the valley areas; Officers were asked to comment on this. The Chief Executive reassured Members that the effort that was put into the consultation in all parts of the County Borough was consistent. It was noted that this consultation relied quite a large extent on the electronic, digital means of consultation due to the pandemic, which more than likely affected the response rate; had it not been for the fact that there was a second and third wave when undertaking this work, Officers would have planned to go out into the community and meet face to face with communities in order to obtain more responses. It was highlighted that a lot of work was carried out to try and gather views of children and young people; this was completed largely through the programmes that were being held over the school holidays.

The Committee was informed that once it was apparent that there were low numbers of responses from some of the valley communities, focus groups were organised to try and obtain qualitative information in order to gain some insight into some of the issues in those communities; 30 in depth interviews were completed to ensure that representation was received across the five valley areas, some as focus groups and others as one to one interviews. It was added that the Chief Executive also went out into valley communities to talk with Local Members; the messages brought back from those visits were consistent with what had been gathered from the consultation feedback.

Reference was made to consultation fatigue which was becoming more talked about. The Strategic Communications Officer explained that the Let's Talk campaign tried to demonstrate that the Council was acting on and had listened to what individuals had expressed; this work also will give these individuals the chance to comment on whether the plans capture the relevant points in order to achieve the wellbeing objectives.

The important question moving forward from this consultation was why more responses were received from some parts of the County Borough than others; this will be an ongoing piece of work for the Council, and an element would could be improved on in future with the help of the Local Area Coordinators, Local Members and the Neighbourhood Management Teams. It was added that Officers also needed to consider new and additional ways of engagement in order to obtain a more consistent and higher level of participation.

Members stated that many of the issues raised were not directly related to Covid 19 impacts or recovery, but show deep-seated concerns about services and the condition of towns, villages and communities; it was therefore asked if the recovery plan will reflect the longer term need for regeneration and front line services across the County Borough. It was explained that the Councils Corporate Plan had to be constructed in accordance with the Wellbeing of Future Generations Act legislation; in terms of long term intent, one part of the sustainable development principle requires Councils to look 30 years ahead to try and determine how the actions and decisions made today will affect future generations. In constructing the Corporate Plan, Officers tried to be very specific for the next 12 months of work; this will provide Officers with democratic cover for what needed to be completed whilst moving from one administration

to the next. Moving on from the next 12 months, it was noted that Officers sought to look at what would be deliverable within a five year period, whilst leaving it broad and flexible enough for an incoming administration to be able to provide their own views and inputs; and again similarly, with looking forward to 20 years' time and setting a vision around the four wellbeing objectives over this period of time. It was added that the Corporate Plan was intended for future use, beyond the pandemic, and looking at the longer term ambitions.

It was highlighted that a lot of the elements within the Corporate Plan linked in with the Local Development Plan (LDP), which was nearing the start of the process of being consulted on in terms of its review; Members asked if there could be a tie in between what was trying to be achieved through the revised Corporate Plan and the LDP process. The Chief Executive stated that the LDP should be a representation of what the Councils overarching plans were for its community; therefore would expect, as the LDP review was taken forward, that these new objectives that the Council will be considering were reflected in that process. It was noted that as the LDP develops, there may be some new evidence coming through the process, which could be used to reflect into an updated Corporate Plan; the two plans over a period of time will keep being updated and reflected on to keep pace with new evidence and issues as they arise.

Following on from this, the Director of Environment and Regeneration stated that the Council was at a critical point in the process of developing its spatial aspirations for the growth and protection of the County Borough; the LDP was a spatial plan, but there were also topic based policies within that plan, and the Council was about to embark on a consultation period with its communities. Members were reminded to encourage their constituents and partner organisation to engage with Planning Policy colleagues during this exercise; it was important that they do so at this early stage, so that issues affecting their communities could be identified, and then the topic and spatial based policies can be developed to try and tackle those issues. The Committee was informed that the LDP was used on a day to day basis to determine the Councils growth aspirations and planning applications that were submitted. The importance of the LDP was reiterated, and it was added that it dovetailed into all the other plans that the Authority was required to deliver.

Concerns were raised in regards to a statistic detailed in the circulated report, which highlighted that 84% of children entered

nursery without the appropriate literacy, language and communication skills to access the curriculum; this would imply that a very large majority of families who had young children require this specific input. Members highlighted that this statistic linked to a number of aspirations of the best start in life for all children and young people wellbeing objective; and based on the statistic, it was asked if the Council had the capacity to be able to achieve those aspirations.

The Committee was informed that a Head of Early Years, Inclusion and Partnership post had recently been created in order to bring together the resources and partners to try and help further with this area of work. The statistic detailed in the report wasn't new to Officers, however a different way of presenting figures had been adopted. Members were reassured that a plan was being developed in order to tackle the areas of concern, and that it was an ambition of the Council to work towards this in order to improve. It was noted that some children enter the education system with various difficulties due to the socioeconomic makeup of Neath Port Talbot; there was a significant amount of pupils with Additional Learning Needs (ALN), and also some which were unidentified.

Officers confirmed that they had spoken about the detail of the plan to partners, who were on board with the priority around early years; this will bring together the experts within the third sector, the health board and other partners in order to establish a coherent plan. It was highlighted that the work around this will hopefully improve the situation so that when pupils to enter the education system, they will be better prepared to learn and will make the same or improved progress, and at the end of the education system they will leave with better outcomes.

Members acknowledged that the lack of bus services affecting residents' ability to access employment and leisure activities was referred to at various points throughout the circulated report. Detailed within the Corporate Plan, it stated that there was ambition to develop a plan to create new transport hubs that improve connections between the places where people live and the places where people work, learn and enjoy their leisure time; as well as develop community based transport schemes to support access to work. Officers were asked to expand on these two proposals.

It was highlighted that there were a lot of public transport routes that were delivered by the private sector; if those public transport routes were not profitable, then following the reduction in subsidies that the

Welsh Government would have given them, the transport providers would withdraw those routes. Officers added that there was very little the Authority could do about this unless Council money was used to subsidize those routes, and it would be difficult to determine which routes should be focused on, in terms of the prioritisation of the very limited funding packages. The Director of Environment and Regeneration explained that the Plan focused on and contained potential proposals that the Council had some form of control over, and how the Council needed to respond to the way in which transport was changing. The Committee was informed that community transport was becoming more important, particular in the valley communities; the Council was running a few pilot schemes operational within the County Borough to try and expand the opportunity that community transport provides within the valley communities. It was confirmed that Officers will be reviewing the effectiveness of those pilot schemes going forward.

In regards to the longer term ambition of transport hubs, it was stated that the Council was potentially looking to deliver a hub of activity in the future within the valley communities; this could consist of various elements, such as hybrid workspaces and community facilities within the hub to allow for people to come together and share experiences, knowledge and social activities. Further to this, it was noted that community transport car sharing schemes could be established from the community hubs, to allow people to get to and from work, as well as to and from retail and leisure activities. Officers concluded that the various elements detailed within the Plan could potentially diversify the transport opportunities within the County Borough, rather than relying solely on the public transport networks which had been diminishing over time.

A discussion took place in regards to the number of responses to the Let's Talk Campaign. Members expressed that although the feedback in the responses were useful, there was a vast array of residents who did not provide their feedback. It was suggested that a caveat be included with the data and information from the consultation for clarification purposes. The Chief Executive agreed to look into the way in which the circulated report had been worded and ensure that the report made this clear. Members were reassured that it was a standard practice to include this sort of detail in the breakdown of data; Officers did not rely on isolated data sets, and instead would seek to triangulate the data which would include checking with Elected Members, using data Officers had gathered themselves

which would feed into the overall picture, and using the feedback from the public.

Reference was made to the 'resetting relationships with our residents' element in the circulated report, and how the Council had encapsulated the way in which it planned to reset and renew relationships with residents. Members queried how the points were going to be made a reality, and expressed the need for further resources in order to achieve the aspirations. It was highlighted that the following needed to be considered in more detail in the future; getting best price for land sales, applying for a larger amount of funding e.g. Levelling Up Fund, and the setting of council tax to be kept as low as possible.

In regards to land, Members were reassured that the Council was selling owned land at the price that the land was worth; whilst taking into account what constrains there were on all of its land parcels. It was added that when selling land, Officers utilised the independent advice of the district valuer to ensure that land was not sold below market value.

The Director of Environment and Regeneration explained that the prospectus and the call for bids for the Levelling Up Fund were issued with very restricted timescales in place, and it was a very strict process in terms of consultation and endorsement; Officers had to secure a significant amount of information in order to put in the bids. It was confirmed that the Council did submit bids, however due to current issues with resources, there weren't any 'oven ready' projects that could be submitted; this was made public at the time. The Committee was informed that Officers had met with Government Officials in relation to the Levelling Up Fund to try and obtain feedback, and had specifically asked for details regarding the bids that were successful in order to learn from them; unfortunately, UK Officials will not share information from those successful bids. Officers were mindful that there was a second tranche of this funding being released in the spring, and the Teams had started looking at projects; additional money (£200,000) had been received in order to build on the capacity within the Teams, however it would take some time to find people suitable for the job and train them to a standard in which they were able to deliver projects. It was noted that the extra monies will help to build a Team that was fit for purpose in the future, and sustainable going forward; which will also maximise opportunity to secure successful outcomes for any funding opportunities.

A discussion took place regarding the new wellbeing objective 'best start in life', and the links to the Flying Start programme. Members queried the value for money of this programme, based on the worrying statistic that was highlighted earlier in the meeting. Officers were not aware of any value for money studies into the Flying Start programme across Wales; however, the schools which received children from the Flying Start programme spoke highly of it, in terms of the support that the young people and their families received. It was stated that not all children who required support lived in the Flying Start catchment areas, and not all children who lived in Flying Start catchments areas required support; in discussions around 'best start in life', it was reported that some families were actually receiving too much support and on the other side there were families who needed that support. Officers mentioned that part of the strategic planning referred to in earlier discussions, was to ensure that partners come together to help those who needed support, regardless of if they lived in Flying Start areas or not, and to ensure that those who needed support knew how to find it; one of the issues identified was that there were a lot of support networks between various sectors, however there wasn't clear pathways in accessing it.

Following on from the discussion above, the need to educate and help the family unit was stressed. It was highlighted that the years of austerity had significantly impacted the early years function; there used to be very good connections and links between partners which helped children and their families. The Director of Education, Leisure and Lifelong Learning reiterated the points that Members had made; in nearly all cases, the needs of a child was best met when the family unit understood the work and supported the child. It was added that one of the reasons for establishing the new post of Head of Early Years, Inclusion and Partnership, was to make sure that strategic plans were in place and the resources available were utilised to their best effect.

It was asked if there was a set way to deliver on some of the aspirations detailed within the Corporate Plan, in order to move forward with achieving them; reference was also made to the current difficulties with recruitment and how this could have an effect on delivering the aspirations. The Chief Executive confirmed that Officers had prioritised within the plan; the four wellbeing priorities being the main focus going forward. It was noted that the circulated plan contained a number of bullet points which set out the areas of

work which Officers believed could be progressed in the first 12 months.

In terms of performance, it was noted that there were other mechanisms in place for demonstrating where the Council was performing well, where it was doing ok and where it was struggling; these will come through in the performance monitoring reports and the annual report, and Officers will consider how the Council was performing when updating the plans. It was added that if the Council was failing in a particular area, there would be an opportunity to build this into the plan in the next period; and then Officers will need to identify resources to deliver on the work.

The Committee was informed that some of the areas of work were long term objectives which will not be completed within the first three years; these were the projects that Officers will be working towards over the next 20 years. It was highlighted that there will be an important piece of work to carry out in order to determine the difference the Council makes and the position the Council was in, in terms of progression.

The Chief Executive highlighted that the Corporate Plan was yet to include the measures; by the time the report was brought back to Committee, there will be a baseline measure included. It was noted that scrutiny committees had an important role to play in this; there will be an opportunity in the next administration to look at how the Council and its partners, collectively, were making an impact on these important areas.

Members raised that communities weren't only recovering from the pandemic, but from years of austerity prior to it. It was stated that this should be reflected in the Corporate Plan.

The following formal amendment to the recommendation contained within the circulated report was proposed and seconded:

Having had due regard to the Integrated Impact Assessment it is recommended that Cabinet approve the draft Corporate Plan 2022-2027 and the Strategic Change Programme (contained in the annexe) be published for a 4 week consultation period (5th January 2022 – 1st February 2022.) subject to the plan including a reference to the impacts of the years of austerity and the pandemic.

It was determined that the Committee were in support of the amendment to be considered by Cabinet.

Draft Budget for Consultation 2022-23

The Committee received a report which was seeking approval to consult on the draft budget proposals for 2022/23.

The Chief Executive informed Members of this year's scrutiny process for the consultation on the budget. It was noted that typically, this report would be brought to Cabinet Scrutiny Committee and Cabinet, before then being taken to each individual scrutiny committee, so that scrutiny members could scrutinise the budget proposals in relation to their portfolio; this was particularly important when it was proposed to either raise new income, make cuts in costs or make cuts to services. However, it was highlighted that the budget was very different this year as there were no proposed cuts to services; due to this reason, Officers were not intending to present the budget report to each scrutiny committee, unless scrutiny members request this be done.

An overview of the proposals contained within the circulated report was provided to the Committee; final decisions on the budget will be requested at the meeting on 28 February 2022, once feedback had been obtained from the consultation process.

Reference was made to the current budget for 2021/22, which was at £316.246m; 75% of this was funded from Welsh Government, and 25% from Council Tax collection. The report provided detail as to how that money was being spent.

In regards to the Local Government settlement for next year; on 21 December 2021, Welsh Government announced a 9.4% increase in funding for Local Government in Wales, totalling at £437m. It was noted that Neath Port Talbot (NPT) Councils share of this was £20.78m, which equated to 8.8%. Officers mentioned that the Council usually ranked towards the top of the Welsh Governments ranking system, however this time NPT was ranked 18th out of 22 Authorities in Wales; the reason for this was despite the fact that the number of pupils with free school meals and benefit claimants within the County Borough increased, the levels increased at less of a rate than the vast majority of other Councils in Wales, which meant that NPT obtained a proportionately less share of the funding.

Officers highlighted the amount of money that was available for next year; Council Tax at current levels, and Welsh Government funding of £258m, will provide the Council with £338m to spend. Members were provided with information regarding what needed to be spent next

year; this year's budget position was £319m, adding to this would be unavoidable service costs of inflation, social care levy, and the increase in the national living wage, which would increase costs by £8.7m. Appendix one of the circulated report also detailed the services pressures which had been identified, which would provide costs of £8.7m. Officers were proposing that the contingency budget be reduced by £965m, which provided an unallocated amount of £2.2m; it was suggested that the £2.2m be retained to balance any fluctuations of the medium term financial strategy period. It was added that as a consequence of that settlement, it was not being proposed to increase the Council Tax levels for next year; Officers were seeking to consult on a 0% Council Tax raise.

In terms of the medium term financial strategy, it was stated that the Welsh Government settlement included indicative allocations of 3.5% for 2023/24, and 2.4% for the following year; one of the reasons for proposing to retain £2.2m of this year's funding (as detailed above) was to mitigate the impact of those lower settlements in the following year.

Included within the circulated report was a policy around general reserves. It was noted that the Council had an 8.8% settlement, despite having gone through years of austerity; this allowed Officers to be able to set the strategy in relation to general reserves due to a healthier financial position. Members were informed that there was no prescribed minimum or maximum level of reserves, and it was for the Chief Finance Officer to make recommendations to Members on these levels. Officers were proposing to work towards a general reserve level of 4%, which would be approximately £13.5m, as well as looking to reduce the current reserve balance over the period of the medium term financial strategy, and support investment which can drive down revenue costs or generate income.

A discussion took place in regards to the one off investments to support Covid 19 recovery. Officers were proposing to invest some of the specific reserves into delivering specific short term measures, which will help start the delivery of the Corporate Plan; £700,000 towards the best start in life objective, £1.2m into thriving and sustainable communities objective, and £200,000 into the objective around heritage and culture. Officers were proposing to use the £2.8m from the insurance reserve to fund this, which would leave £700,000 unallocated; it was important to note that individual projects

to be delivered, would be subject to approval of the individual Cabinet Boards.

One of the recommendations within the circulated report was to repurpose the current ER/VR reserve into an organisational development reserve. It was noted that this was being proposed in order to help with investing in the Councils workforce; the report detailed the types of initiatives that would be delivered over a three year period, and would require £1.5m of this reserve to fund.

The circulated report suggested that indicative funding in 2023/24 and 2024/25 will be lower levels at 3.5% and 2.4% respectively; Members asked if they were to compare these against the 8.8% for 2022/23. The Chief Finance Officer confirmed that this statement was correct.

Members made reference to the level of reserves at 31 March 2021, which was approximately £20m; it was asked what the projected level of reserves was for 31 March 2022. It was confirmed that the level of reserves was again expected to be approximately £20m.

It was queried over what period of time the reserves would be reduced incrementally to 4%. It was noted that the incremental reduction would be delivered over the period of the new medium term financial strategy, which would be the 2022/23 to 2026/27 period.

A further discussion took place relating to the one off investments to support Covid 19 recovery. Members highlighted that the funding from this will come from repurposing the current insurance reserve (£2.8m), therefore it will not require any use of the general reserves to stand up these initiatives. Members stated there could be an opportunity to reduce Council Tax by 1%, using some of the reserves to fund it; it was queried whether this could be done. The Committee was informed that the Chief Finance Officer had a statutory duty to look after the best interests of current and future Council Tax payers; the advice detailed in the circulated report was framed around those statutory responsibilities. As previously mentioned, the settlement for the next two years was not expected to be significant and the ongoing effect of the pandemic was unknown; the Welsh Government Hardship Fund was also concluding at the end of March 2022, and last year the Council claimed back £24m from that fund. It was added that the Chief Finance Officer had also built in a budget pressure of £2.5m; Officers were not proposing a 1% reduction in Council Tax due to these reasons.

It was emphasised that the circulated report did not provide information on the actual budget structure or proposed departmental spend; there was a need to have further discussions on what the Authority does to prioritise Council spend. Members stated that Chairs of Scrutiny Committees should consider holding the usual individual budget scrutiny meetings.

In regards to the consultation, it was queried that if the feedback showed that a significant amount of residents asked for a reduction in Council Tax, how would Officers consider and manage this; following on from earlier discussions that had taken place in regards to this matter. It was stated that when the budget goes out for consultation, there will likely be people wanting a reduction in Council Tax; it was recognised that NPT had the third highest band D council taxing in Wales. However, it was noted that 80% of residents in NPT paid less than a band D; a recent survey showed that the average amount of Council Tax paid in NPT was the 16th lowest in Wales. The Chief Finance Officer highlighted that when comparing meaningfully, comparisons were completed on an average. Members were informed that Officers will consider the consultation responses, and if there was significant weight, they will need to consider what would be affordable and make recommendations as to how it would be funded; this will mean reductions in services and cuts. It was added that reducing Council Tax at this point in time will also put a burden on the new administration.

A discussion took place in relation to the Councils current recruitment issues. It was highlighted that Officers were in the process of putting in a recruitment task force to try and deal with the fact that there was various vacancies that needed filling; staff were working hard to ensure that those vacancies were filled and the Councils services could continue.

Reference was made to the percentage of the current budget which was allocated to the Social Services, Health and Housing Directorate (28%) and the Environment Directorate (13%). Members expressed that if the Council was in a position to make investments in these areas and enhance certain aspects, it would be greatly appreciated by the public; following Members comments, it was asked if the percentages were ring fenced or could they be realigned. It was noted that the figures were ring fenced, as in they were the current budget for those services; in the spring time, Officers will be looking at a new medium term financial strategy which will consider rebasing

the current budgets, linking to the Corporate Plan and trying to ensure that resources were aligned with the set out priorities. It was concluded that there was a possibility of realigning, however it needed to be aligned with the priorities set by the Cabinet.

Following scrutiny, the Committee was supportive of the proposal to be considered by the Cabinet.

CHAIRPERSON