

# **POLICY AND RESOURCES SCRUTINY COMMITTEE**

**(Committee Rooms 1/2 - Port Talbot Civic Centre)**

**Members Present:**

**13 October 2014**

**Chairman:** Councillor D.W.Davies

**Vice Chairman:** Councillor A.Jenkins

**Councillors:** Mrs P.Bebell, A.Carter, M.Harvey, Mrs.L.H.James, A.R.Lockyer, Mrs.K.Pearson, Mrs.S.M.Penry, L.M.Purcell, A.J.Siddley, J.Warman and I.D.Williams

**Officers In Attendance** S.Phillips, H.Jenkins, Mrs.K.Jones, D.Michael, S.John, G.Jones, D.Rees, Mrs.S.Rees and N.Evans

**Cabinet Invitees:** Councillors A.N.Woolcock

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1. **TO RECEIVE ANY DECLARATIONS OF INTEREST FROM MEMBERS**

The following Members made declarations of interest at the commencement of the meeting in relation to the joint report of the Chief Executive, Director of Finance and Corporate Services, Head of Corporate Strategy and Democratic Services, Head of Human Resources, Head of ICT, Head of Financial Services and Head of Legal Services on Budget Proposals for 2015/16 and confirmed their dispensations to speak and vote:

Cllr. M Harvey

Works for South Wales Police

Cllr. I. D. Williams

Daughter works for CVS

Cllr. P Bebell

Member of Community Health Council

Cllr. A Carter

Trustee of CVS

2. **JOINT REPORT OF THE CHIEF EXECUTIVE, DIRECTOR OF FINANCE AND CORPORATE SERVICES, HEAD OF CORPORATE STRATEGY AND DEMOCRATIC SERVICES, HEAD OF HUMAN RESOURCES, HEAD OF ICT, HEAD OF FINANCIAL SERVICES AND HEAD OF LEGAL SERVICES**

**Budget Strategy Proposals 2015/2016**

The Chief Executive opened by explaining to Members that the Council had received the provisional settlement from Welsh Government and whilst there was still a reduction in funding it was effectively good news as Neath Port Talbot had the lowest reduction in Wales at 2.4%. In essence this meant that as it currently stands if the provisional budget settlement becomes the actual settlement on 10<sup>th</sup> December then the £2.8m gap will disappear. The position may also allow some movement in relation to the savings strategies.

At the Cabinet meeting on 1<sup>st</sup> October it was resolved that the budget savings strategies be published for consultation until 24<sup>th</sup> December with a view to setting the budget in February 2015. The consideration of the budget information by the individual scrutiny committees was absolutely vital to ensure openness and transparency.

With some 500 expressions of interest under ER/VR and the suggestion of 200 posts at risk due to the savings strategies the Council had found itself in a better position than it expected and approximately £1m better off than we had planned for.

A question was asked in relation to specific grants and whether the Council knew what the money they would be receiving. Members were advised that many grants were facing cuts but the extent of which would not be known for some time. Members were further advised that the Council has written to Welsh Government expressing its concerns about the timeliness of receiving the grants but has not received a response. It was agreed that the Council cannot plan properly if we do not know money will be available in addition to the main Revenue Support Grant. This was highlighted as a concern. The Director of Finance and Corporate Services stated that Local Government had been promised a year ago that a review of grants would be undertaken but this had not happened.

In relation to one specific grant it was asked whether the Intermediate Care Fund for the Health and Social Care in the Community Grant was a one off payment. Members were advised that this was an all Wales fund that stood at £35,000,000 of which Western Bay received £5,000,000. It appeared that there will be no funding for this going forward.

Members were reminded that the consultation process for the savings strategies will be vital as it will give the Council an opportunity to look behind the numbers and give an understanding of the impact.

A specific query was raised in relation to the consultation and who decided on the length of the consultation. Members were advised that this was flexible and it was vital that responses were received but there would be a consistent approach that would adhere to legislative and statutory responsibilities. It was agreed that the consultation should be meaningful and Members were advised that it would be better to engage with the public to ensure that it is two way communication.

Members were advised that the consultation period commenced on 1<sup>st</sup> October and would run until 24<sup>th</sup> December. Anyone who had particular issues in relation to any of the savings strategies could write in and give their views.

### **Corporate Strategy and Democratic Services**

Members were advised that within this area there was £2,000,000 expenditure within the budget that could were fixed costs. This was because Members' salaries are governed by the Independent Remuneration Panel for Wales. The bulk of the remaining budget of £2,500,000 was staffing costs.

In relation to CCTV, Members were informed that all options of partnership working were being explored to try to ensure that the right service is provided but with different sources of funding. An additional organisation Neath Churches Together was put forward as a potential partner.

It was stated that this was an extremely important service and with millions of pounds being spent on town centres, any loss of CCTV services could have a detrimental impact on the works undertaken. It was further stated that there has been an increase in certain types of crime like shoplifting recently.

It was agreed by the Committee that further reports should be submitted in due course in relation to CCTV and also Customer Services and the latter should include information in relation to the use of new technology.

### **Financial Services**

Members were provided with specific information in relation to the savings strategies proposed in this area. Members were advised that the in relation to the cash office it was not the intention to close it but to revise the opening hours. The Council was concentrating on advising people to use direct debits or make online payments. Members were also reminded that there is the option for Council Tax to be paid for at post offices.

Members asked for more details with regards the £165,000 savings for staffing issues. They were advised that this was in relation to the Early Redundancy/Voluntary Redundancy Scheme. Where staff have requested to go on the scheme Managers must be sure that the service can continue. Members asked whether Managers can refuse a request and it was confirmed that if it affected service delivery then yes they could.

## **Legal Services**

Members were provided with more specific information in relation to the savings strategies.

In respect of Child Care Legal services Members were advised that this was there to support Social Services and the service generally generates surplus income that is then used by the main Council pot. Members were further advised that in respect of licensing all the fees cover the costs but the service is not allowed to make a profit.

It was stated that the current economic climate had resulted in the service removing the use of legal trainees which was a sad event. Members were further informed that in the future it will be especially bleak as now the only savings that would be available would be around staffing requirements. It was also noted that there will be additional pressures in the future particularly around “Deprivation of Liberty” cases and this would be something the Social Care, Health and Housing should be mindful of.

## **ICT and Procurement**

Again Members were advised that many of the services in this area are not public facing apart from the ICT facilities located in public libraries. With 71% of the budget being staffing costs there will be a need to mitigate any risks when implementing the savings strategies.

ICT has a key role to support the Council in delivering its priority areas and any cuts will impact on the service’s ability to do this.

It was suggested that services like IT and Human Resources should have their cuts at the end of the process.

## **Human Resources**

Members were informed that 91% of the budget in this area is staffing costs. With the Council’s 6 priority areas and 120 budget lines within the savings strategies the majority of which will have an impact on staffing levels which

will require Human Resources input. The service itself has gone from 100 officers to 44 within three years, resulting in an increasing workload for officers.

It was generally accepted that savings in one particular area will lead to increased costs elsewhere, particularly in relation to Human Resources. Members were advised that Occupational Health has been protected for 5 years and will do again for the next 12 months.

Members were advised that the whole of Corporate Services backs up the Council and the savings will always be in relation to people unless the service areas are able to identify alternative ways of working. Human Resources have looked at alternatives one of which was the flex retirement of the Head of Human Resources.

Members wished for their thanks and gratitude to be recorded for the service of the Head of Human Resources who was retiring the day after this meeting.

The Director of Finance and Corporate Services reminded Members that it was vital that they challenge the Equality Impact Assessments to ensure that they all aspects have been covered. In relation to the Cashiers services the protected characteristics that would be affected are Disability, Age and Sex. The service will need to make the link with the information contained within the assessments as to what the effects will be.

Members stated that when consulting on the varying budget proposals the consultation should be clear on what are statutory and non statutory services and wherever possible clarify why we are delivering the service. This will allow people to better understand why the proposals have been put forward.

**CHAIRMAN**