

EDUCATION SKILLS AND CULTURE SCRUTINY COMMITTEE

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

Members Present:

24 November 2017

Chairperson: Councillor A.L.Thomas

Vice Chairperson: Councillor M.Crowley

Councillors: S. ap Dafydd, S.Harris, H.N.James, R.Mizen, J.D.Morgan, S.Renkes, R.L.Taylor and D.Whitelock

Co-opted Voting Members: M.Caddick and A. Amor

Officers In Attendance A.Evans, A.Thomas and R.George

Cabinet Invitees: P.A. Rees, A.R. Lockyer

1. **MEMBERS' DECLARATIONS OF INTEREST**

The following Members made declarations of interest at the commencement of the meeting in relation to the undermentioned matters:-

Councillor Peter A. Rees

The report of the Director of Education, Leisure and Lifelong Learning, the Head of Transformation and the Head of Participation re: consultation on Education, Leisure and Lifelong Learning Budget and Draft Savings 2018/19 as he currently represents the Leader of Council on the Education through Regional Working (ERW) Joint Council.

Councillor Sian Harris

The report of the Director of Education, Leisure and Lifelong Learning, the Head of Transformation and the Head of Participation re: consultation on Education, Leisure and Lifelong Learning Budget and Draft Savings 2018/19 as she is a member of the organisation Friends of Cefn Coed Museum.

Co-opted Member Adam Amor

The report of the Director of Education, Leisure and Lifelong Learning, the Head of Transformation and the Head of Participation re: consultation on Education, Leisure and Lifelong Learning Budget and Draft Savings 2018/19 as he is a Director of a film production and training company that provides services to some departments identified within the report.

2. **CONSULTATION ON BUDGET AND DRAFT SAVINGS FOR 2018/19**

Members received information around the current education, leisure and lifelong learning draft budget consultation exercise as contained within the circulated report.

The Director of Education, Leisure and Lifelong Learning and the Head of Transformation presented the report explaining to Members that it had been prepared to provide further information in relation to the budget setting process for the directorate, with a view to aiding the scrutiny of the proposals.

Providing a high level overview for Members the Corporate Director highlighted that the authority's net revenue budget for 2017/18 was £274.67million and together with grants and income this resulted in a gross budget of around £418million, with more than £50million invested annually through its capital programme.

As part of the annual budget setting process the Corporate Director reminded members that on, 8 November 2017, the Council's Cabinet approved to commence public consultation on its draft budget savings proposals for 2018/19 to 2019/20.

As part of this exercise it is projected that financial savings of £10.24million are required to set a balanced budget for the next financial year (2018/19) with a further £13million needed in the following financial year (2019/20), with the majority of financial savings being achieved via the non-delegated school budget(s).

Outlining the approach taken towards the current budget setting process the Corporate Director informed Members that three key principles have been adhered to. These were: to protect vulnerable learners; to protect services that the local authority has a statutory responsibility to maintain and to support areas that are subject to regulatory scrutiny.

The Corporate Director went on to point out that the office of Her Majesty's Inspectorate for Education and Training in Wales (Estyn) were shortly to undertake an inspection of the directorate, and while significant challenge would be likely inspectors remained sympathetic to the reality of the authority's budgetary position.

Following the conclusion of the Corporate Director's presentation the Head of Transformation provided Members with a brief overview of the specific budget saving proposals.

Members then proceeded to scrutinise specific proposals with the first questions being raised in relation to cost savings identified in relation to Disability Sport (ELLL 714), Outdoor Education (ELLL 801) and Celtic Leisure (ELLL 802).

In relation to these specific proposals, Members enquired as to how confident the Chief Officers were that such savings could be achieved. In addition, with regard to the specific proposal around disability sport Members queried whether this proposal had been equality impact assessed.

In responding to Members questions the Head of Transformation explained that the £15,000 saving identified regarding disability sport would be achieved through the withdrawal of match funding for the post of disability sports co-ordinator. It was also confirmed that the relevant equality impact assessment had been undertaken.

Turning to the budget proposals for Outdoor Education the Head of Transformation pointed out that the local authority currently has a contract in place with the Field Study Council (FSC) which is due to terminate in April 2019.

The Local Authority provides a management fee subsidy to the Field Study Council of £250,000. The proposal put forward is therefore to undertake negotiations with the FSC for them to provide a service to Neath Port Talbot schools but with no subsidy.

The Head of Transformation explained that to achieve this it is likely that the cost of NPT children attending the Discovery Centre at Margam Park will increase to be more in line with what children from outside NPT pay, and also what is charged by other providers of similar venues outside of Neath Port Talbot.

In addition, the Head of Transformation emphasised that every effort will be made to protect the most disadvantaged pupils from cost increases in line with the directorate's key principles.

With regard to the Celtic Leisure proposal the Head of Transformation made clear to Members that the company was currently operating at a surplus and over the past few years has become less reliant on the management fee provided by the local authority.

The Head of Transformation also explained to Members that the proposed management fee reduction would require the trust to secure even greater operating efficiencies and the generation of extra income.

In relation to the Celtic Leisure proposal the Corporate Director also pointed out to Members that the business sector which has seen the largest growth in recent years has been the fitness and leisure industry and due to the robust and consistent trading performance of Celtic Leisure he felt such savings were achievable and remained the least painful budget reductions for the directorate while generating considerable savings.

Members further enquired whether implementing these types of savings would result in the shut down or reduction of services. The Head of Transformation outlined that this was 'not on the table' and instead the directorate was looking to maximise efficiency savings as far as possible.

Furthermore, the Head of Transformation explained that Celtic Leisure held financial reserves and also had the ability to borrow money from a wide array of financial services enabling commercial opportunity for the company that needed to be further explored while also reducing the obligation on the local authority.

Members then continued to scrutinise other budget savings proposals including those for the Youth Service (ELLL 803), Music Service (ELLL 805), School Catering (ELLL 715), School Cleaning (ELLL 807) and Home to School Transport (ELLL 811).

With regard to the Youth Service, Members enquired what effect the budget saving would have to the service area.

The Head of Transformation highlighted that the proposal would result in a modest reduction in core funding which in turn may mean less capacity to support young people. However, he emphasised that every effort would be made to ensure that the most vulnerable children remained protected and that all grant funding opportunities would continue to be maximised.

Turning to the budget proposal for the Music Service Members asked whether it was possible to provide an assurance that the directorate would continue to support the provision of music for school pupils in Neath Port Talbot.

The Head of Transformation responded stating that the authority's music service was a well-respected service which trades directly with NPT schools. Nearly all schools purchase the service via a service level agreement. As such the proposed budget saving can be achieved either by increasing income above current levels or by cutting expenditure without affecting service provision.

The Head of Transformation pointed out that opportunities may also exist to offer services outside of Neath Port Talbot due to the reputation of the service and that the current proposal represents a 10% cut in current funding levels.

It was also highlighted that nearly all music services maintained by local authorities across Wales now operate without the provision of any subsidy at all.

Members then proceeded to move on to the budget proposals around school cleaning/catering and enquired why the budgetary saving for school catering was not the same as the saving proposed for school cleaning due to reduction/amalgamation in the number of maintained schools.

The Corporate Director outlined that the school catering saving would be achieved from the implementation of a new pay scale as a result of the review of catering arrangements.

In relation to school cleaning the proposal is to move towards a full cost recovery position over time by recovering greater costs from primary and special schools thereby increasing the cost of the service incrementally to each school.

The corporate director also highlighted to members that while the authority has a statutory duty to provide school meals there is no similar obligation in relation to the cleaning of schools.

In addition, the Corporate Director explained that the cost of maintaining in-house school cleaning services, as opposed to outsourcing, did result in higher costs compared to commercial operators providers. However, this was due to a higher level of encompassing service including the provision of Safeguarding and Disclosure Barring Service (DBS) employee checks which form part of the overarching NPT cleaning service arrangement.

Following this line of questioning Members then moved on to look at the proposals regarding Home to School transport. Members asked due to the programme of school closures and the extra travel expenses incurred due to pupils travelling further to Welsh medium schools whether this was causing an extra impact on the budget provision.

Responding the Corporate Director confirmed that due to efficient tendering and commissioning processes he remained confident that the outlined budget savings were achievable. Nevertheless, he made clear that it was likely that there would be specific pressures in relation to altered travelling arrangements for some pupils although this would be relieved overtime following the opening of Ysgol Gymraeg Ystalyfera - Bro Dur (South Campus).

Following the various lines of questioning the Chair then informed the Committee that he had received a number of questions from a local

resident, received within the required period, in relation to the budget saving (ELLL810) Cefn Coed Museum.

The Corporate Director explained that this proposal required continued consultation and working with the friends of Cefn Coed Museum to make efficiency savings with a view to asset transfer.

The Chair then proceeded to read out the first question which asked when the last time a Cefn Coed Museum business plan was published.

The Corporate Director explained that no specific business plan had been published in relation to Cefn Coed Museum, although work was currently ongoing on a draft development plan which would look to maintain a more secure future for the museum.

In addition, the Corporate Director also highlighted that repair works to the Head Wheels, an iconic feature of the museum which were being undertaken and funded by Welsh Government supervised by the historic environment service Cadw, were taking far longer to repair than anticipated. The original estimate for carrying out the repair works was £200,000, however this had now risen to around £2 million.

Members were informed that Welsh Government have committed to completing the repair works but the final date of completion is not likely for another two-three years and is effectively mothballing a large part of the museum which is having a knock on effect on visitor numbers at the site.

The Chair then proceeded to read out the second question which enquired why there had been a greater emphasis on budget saving proposals at the visitor attraction as opposed to income generation targets.

The Corporate Director informed Members that work to establish online retail facilities for the Museum along with the ability to make online donations would be taken forward as part of proposals being considered by the Council's income generation group.

The Chair then moved on to the third and final question which asked whether officers could provide a guarantee that the head wheels would be reinstated to the visitor attraction.

The Corporate Director referred Members to his previous response and confirmed that the Welsh Government remained committed to completing the repair works with significant investment already having been spent to undertake the project.

Members were also informed by the Corporate Director that he would shortly be meeting with the Friends of Cefn Coed Museum to discuss various matters including legacy issues.

Concluding scrutiny of the budget proposals Members asked what impact the budget proposals would have on the directorate's workforce.

The Corporate Director confirmed that the workforce would be impacted by the reduction in budget funding available to run services. He explained that the proposals had been shared with trade unions and briefings scheduled with staff over the next few months.

Furthermore, the Corporate Director emphasised that the Council as a whole is determined to minimise compulsory redundancies and has launched its latest early retirement/voluntary redundancy scheme with staff leaving under this scheme assisting in delivering some of the financial savings required.

Following scrutiny, it was agreed that the report be noted.

CHAIRPERSON