

CABINET SCRUTINY COMMITTEE

(Council Chamber - Port Talbot Civic Centre)

Members Present:

31 October 2018

Chairperson: Councillor A.N.Woolcock

Councillors: S.E.Freeguard, M.Harvey, S.K.Hunt,
H.N.James, A.Llewelyn, S.Miller, S.Paddison,
S.M.Penry, L.M.Purcell and A.L.Thomas

Officers In Attendance S.Phillips, H.Jenkins, A.Evans, A.Jarrett,
G.Nutt, K.Jones, C.Griffiths, H.Jones, C.Furlow,
N.Headon and C.Davies

Cabinet Invitees: Councillors C.Clement-Williams, D.W.Davies,
R.G.Jones, P.D.Richards, A.J.Taylor and
A.Wingrave

1. **DECLARATIONS OF INTERESTS**

The following Members made declarations of interest at the commencement of the meeting:

Councillor A.N.Woolcock Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at Tairgwaith Primary School.

Councillor H.N.James Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at Ysgol Bro Dur and Ysgol Carrig Hir

Councillor M.Harvey Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at Abbey Primary School and as he is employed by South

Wales Police.

- Councillor S.M.Penry Re: Joint Report of the Director of Finance and Corporate Services and the Assistant Chief Executive and Chief Digital Officer' on the Third Sector Grants Scheme as she is a member of the CVS Age Connect Board.
- Councillor S.Miller Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as she is the Chair of the Board of Governors of Melin Primary School and has a family member that works within the Authority
- Councillor
S.E.Freeguard Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as she has a family member that works within the Authority.
- Councillor A.L.Thomas Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor of Rhos Primary School.
- Councillor S.K.Hunt Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at Ysgol Blaendulais Primary School and has a family member Working at Ysgol Castell Nedd.
- Councillor A.Llewelyn Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at Ysgol Gymraeg Ystalyfera Bro Dur and has a family member employed by LEA.

- Councillor L.M.Purcell Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as she a governor at Rhydyfro Primary School and Cwmtawe Community School.
- Councillor R.G.Jones Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he a governor at Ysgol Cwm Brombil and Coed Hirwaun Primary School and has a family member working at a School in Neath Port Talbot.
- Councillor A.J.Taylor Re: Report of Corporate Directors Group on the Draft Budget for Consultation 2019/20 as he is a governor at Eastern Primary School and a family member works as a teacher in Baglan Primary School.
- Cllr. C.Clement-Williams Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as she has a family member working at Hillside Secure Unit.
- Councillor A.R. Lockyer Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a governor at YGG Castell-nedd and Gnoll Primary School, has grandchildren in the school system and his son works at Dwr-y-Felin Comprehensive School.
- Councillor P.D.Richards Re: Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as he is a Vice Chair of the Board of Governors at Baglan Primary School and Blaenbaglan Primary School, and his grandson attends Blaenbaglan Primary School.
- Councillor D.W. Davies Re: Report of Corporate Directors' Group on the Draft Budget for

Councillor A.Wingrave Re: Consultation 2019/20 as he is a governor at Ynysfach Primary School and Llangatwg Comprehensive School, and his sister-in-law is employed in the Education Department.
Report of Corporate Directors' Group on the Draft Budget for Consultation 2019/20 as she has grandchildren attending Coedffranc Primary and Dwr-y-Felin Comprehensive School

2. **PRE-SCRUTINY**

The Committee scrutinised the following matters:-

Cabinet Board Proposals

2.1 Revenue Budget Monitoring Report

Members received the monitoring report and scrutinised expenditure against the agreed budget position.

Members asked for an explanation of the £313k overspend on Home to School Transport. Officers explained that there are additional demands on the service which are causing an increase in costs, particularly the junior apprenticeship programme.

Members asked for an explanation of the School Meals overspend. Officers explained that the budget included a saving to be achieved by applying a different pay scale to various roles, however, as there had been a delay in the implementation of the change, the saving will not be delivered in full during 2018/19.

Members asked for the detail of the changes to care packages within domiciliary care. Officers explained that there had been a review of the care packages to ensure that they reflected current needs. As a result of the review process, care packages had been reduced, producing a cost saving. It was noted that the target budget saving this year is £2.5m and includes other measures as well as reviews of care packages.

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

2.2 Capital Budget Monitoring

Members received information in relation to the delivery of the 2018/19 Capital Programme.

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

2.3 Draft Budget for Consultation 2019/2020

Members were provided with information on the draft budget proposals which included proposed financial savings, service reductions and income generation for 2019/20 and beyond.

It was noted that following approval, there was proposed to be a public consultation exercise which will end on 11th January 2019. Responses to the consultation will be considered and where considered appropriate, proposals will be amended prior to Council being invited to set a balanced budget for 2019/20 in February 2019.

The Committee made a number of points on the Provisional Settlement and agreed that the Director of Finance be invited to prepare a response to the Welsh Government taking account of the comments raised by the Scrutiny Members.

The Director of Finance verbally updated Members on the implications of the Chancellor's recent Statement. It was noted that Government had announced an additional £120 million for Wales. Initially assessments by the WLGA suggests that there could potentially be an increase of £55-60 million for local government, however, Welsh Government have indicated that there are other pressures that may be a call on the additional funding.

The Director of Finance highlighted that it was proposed to use some general reserves to achieve a balanced budget position in 2019-20 this is a departure from the strategy adopted in previous years which underlines the impact of the Provisional Settlement on the Council's operation. Members noted that if it

is agreed to use £4 million of the general reserves it would be difficult to replenish those reserves.

Members thanked the Director of Finance for clarifying the various issues raised in debate. Members asked if the Chancellor's announcement would impact on the current year or in 2019-20. Officers clarified that the £120 million would most likely be used to support the 2019-20 budget year. It was noted that once the Welsh Government had made decisions concerning the application of the additional funds, the Council's budget proposals could be re-visited, however, as the proposals currently stand, there is a residual budget gap of over £4 million.

Members asked if increases in fees to access the Music Service affected the demand for the service. Officers highlighted that current charges for the service are between the mid and lower end of the scale charged by local authorities in Wales. It was noted that the service could benefit from funding that is being retained by Welsh Government and the Director of Education, Leisure and Lifelong Learning was making representations to Welsh Government to use this funding to alleviate pressures on the service.

Members queried the funding from the Welsh Government in relation to the Music Service. The Leader explained to Members that he had written to the AM's and MP's to try to secure release of the funding, however, it was noted that it was for the Welsh Government to determine the release of these funds.

Members asked whether any community groups have been identified to take over the libraries listed in the report. Officers highlighted that these are proposals for consultation and the consultation period would be used to identify if there are alternative arrangements that could be put in place to operate the services going forward.

Members highlighted that within the report there are proposals to generated income from rents related to homeless people. Officers confirmed that this proposal related to generating income from the housing benefit system.

Members highlighted concern over the proposals to reduce terms and conditions of service for catering staff and cleaning staff as the roles are predominantly carried out by female staff. Officers explained that the proposals were subject of consultation as approved by the Personnel Committee. Officers explained to Members that the catering duties are different to those undertaken previously and that is why there is a need to reduce the grades attached to the various posts. In relation to the Cleaning Service, officers explained that the Authority needed to recover the actual costs from the schools budgets. There is a risk that schools would wish to buy services in from an external provider however, if this were to materialise, schools will need to satisfy the Council that any external cleaning service would meet the quality standards.

Members asked for information on the operation of all of the libraries within the Authority, not just the ones highlighted within the report. Officers explained that there are 4 libraries that have been identified within the report for transfer to a community organisation or, failing this, closure as all four have recorded less than 10,000 issues of books in the last year.

Members highlighted their concern around the Welfare Rights Service being cut. Officers explained that the proposals showed savings of £2.8 million within the Social Services department and that they have had to identify savings on areas that are not statutory. Officers also mentioned that alternative services could be accessed via organisations such as the Citizens Advice Bureau (CAB) who are due to receive additional funding from the Department of Works and Pensions (DWP) in relation to Universal Credit support.

Members asked about the Equality Impact Assessments as there will be equality issues around these budget proposals. Officers highlighted that there are new duties under the Well-being of Future Generations (Wales) Act 2015 as well as the continuing duties to assess the equality impact of proposals etc. An Integrated Impact Assessment approach has been developed to meet all of the requirements. It was noted that there would be a two stage process: the initial assessment to identify the impacts; and where the initial assessment indicates a material impact, a further, more comprehensive assessment would be carried out.

Members asked what would be the effect of increasing the fee for Pest Control. Officers explained that the service would still be subsidised and the cost of fee would still be below market rates.

Members asked how Digital by Choice would be sustained when there would be a reduction of staff within the IT Department. Officers explained that the savings identified represented a restructuring of the workforce replacing higher graded staff with lower graded staff as part of a wider succession planning strategy.

The Leader of the Authority highlighted to Members that the Cabinet had spent considerable time developing the budget proposals.

Members thanked officers for the work they have undertaken. Members resolved to lobby the AM's to ensure local government gets additional funding to help offset the significant impacts of the Provisional Settlement.

The Cabinet Member for Finance highlighted that the Cabinet would examine the results of the public consultation very carefully. Members were encouraged to put forward ideas on other potential savings or income generation as soon as possible rather than waiting until the end of the budget process.

The Director of Finance and Corporate Service highlighted to Members that the Final Settlement will be released on the 19th December 2018 and the Council's consultation exercise will end on the 11th January 2019.

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

2.4 Treasury Management Monitoring 2018/19

Members received information on items which included rates of interest, borrowing and investment income, as detailed within the circulated report.

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

2.5 Third Sector Grants Scheme

Members received information on the results of the consultation carried out on proposed changes to the Third Sector Grant Scheme.

Members commended Officers on the work that they had undertaken and asked what organisations interested in making an application to the revised Scheme would need to do next. Officers explained that organisations could bid for funding for up to a three year period. Any organisation awarded funding for a three year period would be regarded as a strategic partner and would be required as part of the conditions of grant to support the Council's drive to increase participation in the on-line services; help to increase income in services such as theatres and parks, and also to identify gaps in services within communities and work with the Council to identify ways of meeting those gaps in services.

Members asked that if partners are going to increase participation in the Council's digital services that training on IT security be considered. Officers confirmed this would be part of the work to increase digital inclusion.

Members asked whether organisations not currently in receipt of grant funding could apply to the Scheme. Officers highlighted that there is no restriction on organisations provided that they satisfy the definition of voluntary or community sector.

Members queried the role of the Voluntary Sector Liaison Forum. Officers informed Members that the Voluntary Sector Liaison Forum have helped develop the Scheme and there is a commitment in the Compact that the Forum reviews the Scheme every 3 years. Officers explained that this does not conflict with the role of the Scrutiny Committee.

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

3. **FORWARD WORK PROGRAMME 18/19**

The Committee noted the Forward Work Programme.

CHAIRPERSON