

POLICY AND RESOURCES SCRUTINY COMMITTEE

(Council Chamber - Port Talbot Civic Centre)

Members Present:

20 November 2017

Chairperson: Councillor A.N.Woolcock

Vice Chairperson: Councillor S.Rahaman

Councillors: M.Crowley, J.D.Morgan, S.E.Freeguard,
M.Harvey, S.K.Hunt, H.N.James, A.Llewelyn,
S.Miller, S.M.Penry and S.Paddison

Officers In Attendance H.Jenkins, Mrs.K.Jones, D.Rees, D.Michael,
S.John, Mrs.S.Rees and R. George

Cabinet Invitees: D. Jones

1. CONSULTATION ON BUDGET AND DRAFT SAVINGS 2018/19

Members scrutinised the report which provided further information around the current Corporate Services draft budget consultation exercise.

The Director of Finance and Corporate Services provided Members with an overview of the budget position explaining that the Council's net revenue budget for 2017/18 was £274.677 million and together with grants and incomes resulted in a gross budget of £418 million in Council services across the County Borough. The Director also highlighted that the Authority invests approximately £50 million per year through its capital programme.

The Corporate Director then reminded Members that on 8 November, 2017, the Council's Cabinet approved the commencement of the public consultation exercise on its draft budget savings for 2018/19 to 2019/20. The Committee was informed that a projected financial saving of £10.24 million would be required to set a balanced budget for the next financial year with a further £13 million needed in the following financial year.

Following on, the Head of Human Resources then proceeded to provide Members with an overview of the budget proposals for the Human Resources division for 2018/19.

Members were informed that the division was formed in 2009, with a budget of £2.92 million which has reduced to £2.25 million in 2017/2018 mainly achieved through reduced staffing costs.

The Head of Human Resources then provided an overview of the work of the various teams within the division including the HR Employment Support Team, HR Workforce Information Team, Health and Safety, Occupation Health Services, Emergency Planning, Learning, Training and Development as well as the three Professional Teams.

In outlining the specific budget savings proposals the Head of Human Resources highlighted that that the division, in relation to staffing levels, was the smallest within the Council and, as such, opportunities for savings had become very limited.

For Members reference, it was also explained that while non-staffing budgets will continue to be scrutinised and reduced wherever possible, as 93% of the budget is allocated to staffing costs, the only source for any significant savings will be through reducing the number of people employed within the division. Any further significant reductions in staff numbers will result in services, either ceasing altogether, or being significantly reduced.

Members then proceeded to scrutinise specific proposals with the initial questions being raised in relation to Health and Safety, Occupational Health and Learning, Training and Development.

In relation to Health and Safety, Members enquired as to how confident the Head of Human Resources was that such savings could be achieved without having an adverse effect particularly in relation to health and safety practices and procedures.

The Head of Human Resources pointed out that the Health and Safety unit was currently working with ICT officers to progress the installation and usage of improved digital administrative systems.

In addition, it was highlighted that a pilot scheme had been undertaken over the past 12 months with the creation of a new administrative post (Grade 3) which had proven successful in

ensuring the unit's programme of work capacity remained robust while also allowing for further budget savings to be achieved.

Members then proceeded to pursue another line of enquiry asking whether it would potentially be cost effective to provide psychological counselling to staff who were being treated for significant medical conditions.

The Head of Human Resources informed Members that the authority does already provide a counselling service via the Occupational Health Unit for Members of staff. A total of six standard sessions are available, following referral, with further support potentially available subject to professional assessment.

Turning to Learning, Training and Development Members asked whether there was any possibility to progress the development of online training for Members and Officers due to the difficulties in car parking arrangements at the Council Offices located in The Quays, Briton Ferry and to potential secure further cost savings.

The Head of Human Resources explained that access to online training was developing and pointed to the establishment and usage of the All Wales Academy website portal. Members were informed that the online resource provides a variety of training courses and learning tools which are readily available.

In addition, use of video call software such as WebEx is also being considered to assist with the development of training requirements going forward.

Members were then informed that in relation to specific training that needed to be conducted 'face to face' the Head of Human Resources, with the assistance of the Head of Property and Regeneration, was looking to try and identify an alternative training venue with more adequate car parking provision, particularly in relation to the delivery of social care welfare training, however no immediate solutions have been identified.

A supplementary question was then asked by Members enquiring as to whether the Council paid expenses for Members of Staff undertaking work based training.

The Head of Human Resources referred Members to the Council's Travel and Subsistence Policy which outlined what costs employees could reclaim in relation to work based training.

The Head of Legal Services then proceeded to provide Members with an overview of the Legal Services 2018/2019 budget savings proposals.

Members were provided with a brief overview of the service areas within the department before the Head of Legal Services outlined the budget savings proposals for the division.

It was explained that the budget for Legal Services consists almost entirely of expenditure on staffing. Provision for legal fees and legal library is limited and substantial savings are not available in these areas.

The Head of Legal Services went on to explain that the Licensing section was almost entirely self-funded although it is not legally entitled to make a profit from the service.

In relation to the fees for the Registrar's Office fee levels are also almost entirely set by the UK Government.

Members were also informed that over recent years capacity has been taken out of the Property and Litigation Legal teams and last year posts were deleted in the Childcare Legal team.

Looking ahead to the next financial year the Head of Legal Services outlined that the division would have to turn to the teams that provide administrative support to Legal Services, the Directorate and the Council corporately, as well as the Land Charges team, to consider what further savings proposals could be realised to enable additional rationalisation.

Providing additional context to the saving proposals the Head of Legal Services pointed out that the very services which are called for in current circumstances are those very service areas which very often contribute towards the council's efforts to transform services and cut expenditure.

These services include procurement, contracts with third parties and all collaborations such as Western Bay and the Swansea Bay City Deal to name a few. The Head of Legal services then emphasised

that where there are challenges to decision-making these require a significant amount of legal work and both internal and external advice and this becomes increasingly difficulty with reduced capacity.

As a result, it was highlighted to members that the resilience of the legal teams to deal with events such as the recent landslip in Pantteg is considerably diminished. Furthermore, if the in-house administrative support continues to reduce and the work is still there, the only other alternative is to put more work out to private contract at greater cost.

The Head of Legal Service made clear that due to the year on year budget savings any absence of staff or sudden increase in workloads now has a marked effect on the efficiency of the section and service delivery suffers as a result. Summing up the Head of Legal Services advised Members that the loss of experienced staff and anticipated retirements will mean that the service will need to be rebuilt in the short to medium term.

Following the conclusion of the budget saving summary Members asked if the potential budget savings were implemented did the Head of Legal Services feel that staff could manage in relation to the current and future work demands.

The Head of Legal Services referred Members to his previous comments and emphasised that the savings were manageable but emphasised that the skill and knowledge level of the department would need to be monitored and rebuilt in due course.

Moving on Members were then provided with an overview of the budget proposals for the Corporate Strategy and Democratic Services division 2018/2019.

The Head of Corporate Strategy and Democratic Services detailed that the division had a budget of just under £3.8million and provided a brief overview of the key service areas including the Western Bay Regional Commissioning Team for substance Misuse responsibility for which had been transferred to the department.

It was pointed out to Members that new legislative burdens, for example, major changes to data protection legislation and the implementation of statutory requirements outlined around well-being of future generations as well as the Welsh Language were placing new financial pressures on the division, as well as requiring additional

work demand from the existing staffing arrangements for the service areas, particularly the corporate strategy unit.

In addition, the Head of Corporate Strategy highlighted the work that had been conducted during the past year in relation to the establishment of a combined joint Closed Circuit Television (CCTV) service with neighbouring authorities. However, despite best efforts this arrangement had proven to be unachievable.

As a result of these additional pressures, the Head of Corporate Strategy and Democratic Services also highlighted that a report looking at the organisational structure of the division was currently being prepared and would be presented to the Democratic Services Committee in the new year.

Similar to other Heads of Service the Head of Corporate Strategy and Democratic Services emphasised that budget saving proposals in relation to achieving increased income and reduction to non-staff savings presented the greatest risk in terms of the proposals put forward.

Members then proceeded to ask a series of questions in relation to the relevant savings proposals. Members first enquired whether there was any scope to increase funding to the Western Bay Regional Commissioning Team due to the level of substance misuse within the County Borough and subsequent link to an increase in mortality rates.

The Head of Corporate Strategy and Democratic Services explained to Members that the majority of funding available to the Council to support such work was provided by Welsh Government via the Substance Misuse Action Grant. It was further outlined that as part of the work programme of the Regional Area Planning Board an evaluation was being undertaken to look at how the grant funding was being spent and to maximise 'value for money' in key services as well as ensuring equity across the region in terms of what the funding provision was offering at a local level.

Due to the proposed re-organisation of the Cwm Taf Health Board, where there was a proposal to include the County Borough area of Bridgend within the Cwm Taf Health Board footprint, the Head of Corporate Strategy and Democratic Services made clear that it was important that the work of the Regional Area Planning in relation to this area of funding was carefully considered and advised Members that they would be kept informed of progress.

Members voiced their frustration at the current level of funding provided by Welsh Government in relation to funding to counter substance misuse, citing a recent statistic which highlighted that Port Talbot ranked as the second highest town within the UK in relation to deaths caused by drug use between 2014 - 2016.

In light of Members interest in this matter the Head of Corporate Strategy and Democratic Services confirmed that she would be more than willing to prepare a further report in relation to funding issues around substance misuse, including a breakdown of regional funding allocations for comparative purposes, in due course.

The Head of Corporate Strategy and Democratic Services also confirmed to Members that she had been elected to chair the Western Bay Regional Partnership Board for the next twelve months.

Moving on, Members then enquired about the levels of voluntary charitable contributions made to the various charitable causes supported by each incoming Mayor of Council asking whether any figures could be provided.

The Head of Corporate Strategy and Democratic Services explained that the amount of charitable funding raised varied year on year but on average between £15,000 - £20,000 was raised with all monies being given directly to the nominated charities without any administration fee imposed.

Members were also advised civic budget for administering civic events had in recent years been reduced from around £50,000 to £15,000. In addition, the Mayor of Council, with the support of the Deputy Mayor, attends on average between 250-300 engagements throughout the civic year. The Head of Corporate Strategy also informed Members that work was currently underway with the Mayor of Council to look at ways of renewing the civic event programme making it more relevant and reflective of local communities.

Members then proceeded to raise an operational enquiry in relation to Customer Services asking whether there was a possibility of simplifying the English and Welsh language automated message channels to ensure individuals using the system were able to have similar journey experiences lasting equally the same amount of time whatever language they preferred to use.

The Head of Corporate Strategy and Democratic Services noted the comment and confirmed that the current messaging would be examined to see if any potential improvements could be made to the user experience.

Following a number of other incidental questions Members then moved on to be provided with an overview of the budget proposals for the ICT and Procurement Services Division.

The Head of ICT and Procurement detailed that the division was responsible for providing support and all ICT functions across the Council's departments including its schools, while also retaining responsibility for all corporate procurement activity within the authority.

For Members information the Head of ICT and Procurement explained that despite continued budget and staff reductions, the division is still perceived as one that performs well, operates strategically and is extremely flexible in adapting its work programme to meet the Council's changing needs and priorities.

As a part of the budget savings proposals the Head of ICT and Procurement highlighted that the division had a budget of just over £4.2 million and similar to other Heads of Service provided a brief overview of the key service areas with a savings target.

In looking to achieve the division budget savings the Head of ICT and Procurement told Members that this would undoubtedly result in a reduction in development support capacity with service requests taking longer to complete. Furthermore, a number of posts currently underpinned by departmental reserves would be exhausted by March 2019.

Nevertheless, the Head of ICT and Procurement pointed out that continued effort would be maintained to maximise income generation and/or collaborative opportunities to offset job losses and service issues.

Members were also informed that due to a number of unexpected Early Retirement/Voluntary Redundancy (ER/VR) staff departures in 2017/18 will partly go towards achieving savings targets in 2018/2019. In the medium term however, the Head of ICT and Procurement highlighted that in order to help other departments meet their service needs and FFP savings will require the ICT division to

restructure in order to maximise the skills and resources it has available.

The Head of ICT and Procurement concluded by making clear that further work to ascertain whether additional income could be generated for subsequent years was ongoing and if opportunities could not be found then this would impact in staffing, capacity and services provision within the department.

Turning to the Financial Services division Members were then provided with a brief summary of the relevant budget proposals by the Head of Financial Services which included the reduction in staffing levels across the various teams as well as a requirement to reduce spend on non-staff expenditure heads.

Similar to the other Heads of Service the Head of Financial Services provided an overview of the service areas and budget savings targets pointing out that the division had a budget of just over £3.5 million.

For the assistance of Members the Head of Financial Services provided an example of a review of systems to help with proposed reductions in departmental resources. Members were informed that this would involve the removal of face to face service for Council tax enquiries in the Port Talbot Civic Centre to be replaced by a telephone service.

The Head of Financial Services explained that the number of people using the current face to face service remained very low and whilst staff who provide service are able to carry out other duties while not dealing with the public, the low numbers mean that this isn't an efficient use of resources.

It was explained to Members that a trial of the proposal had been carried out over eight working days to establish any impacts of removing the face to face service, with a report on the proposed change and its impacts due to be brought before the Policy and Resources Cabinet Board in due course.

In summation Members enquired in relation to all the budget savings proposals detailed by the Heads of Service what overlying risks remained to achieve the required over-arching budget savings.

The Corporate Director for Finance and Corporate Services informed Members that the Corporate Services total cash limit in 2017/18 amounted to just over £16.55 million. The Corporate Director

continued by explaining that this budget was underpinned by the use of specific reserves totalling £250,000, which once used will require further service reduction in future years.

In relation to the current year's budget monitoring position, the Corporate Director highlighted that this showed a projected underspend on the total corporate services budget of some £100,000. As such, provided existing reserves are made available in 2018/19 they should be sufficient to underpin the proposed base service level for the directorate.

However, the Corporate Director made clear that once these reserves had been spent additional service savings would be required to balance the budget from April 2019 onwards.

In conclusion, Members made clear their support for officers in maintaining careful risk management monitoring in relation to achieving the various budget savings while voicing their concern for the ongoing long term mental health and physical well-being of all members of staff who will be required to ensure the savings are obtainable. In addition, Members also emphasised their desire to ensure that all current and future budget savings proposals remained fair and equitable with no one division or department taking an unreasonable level of budget cuts.

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

CHAIRPERSON