

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
17 OCTOBER 2019

Minutes of the meeting of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held in the Delyn Committee Room, County Hall, Mold on Thursday, 17 October 2019

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Geoff Collett, Mared Eastwood, Patrick Heesom, Paul Johnson, Richard Jones, Vicky Perfect and Aaron Shotton

SUBSTITUTES: Councillor: Mike Peers (for Arnold Woolley) and David Wisinger (for Paul Cunningham)

APOLOGIES: Councillors: Bob Connah, Michelle Perfect and Andy Williams, and Chief Executive

CONTRIBUTORS: Councillor Ian Roberts, Leader and Cabinet Member for Education; Councillor Billy Mullin, Cabinet Member for Corporate Management & Assets; Councillor Glyn Banks, Cabinet Member for Finance; Chief Officer (Governance); and Corporate Finance Manager

IN ATTENDANCE: Overview & Scrutiny Facilitator and Democratic Services Officer

For minute number 49

Chief Officer (Housing & Assets) and Finance Manager (Technical Accountancy)

For minute number 51

Corporate Business and Communications Executive Officer

45. DECLARATIONS OF INTEREST

None.

46. MINUTES

The minutes of the meeting held on 19 September 2019 were submitted.

RESOLVED:

That the minutes be approved as a correct record and signed by the Chairman.

47. ACTION TRACKING

In receiving progress on actions arising from previous meetings, the following points were raised:

On the approach to scrutinising decisions on the North Wales Economic Ambition Board (NWEAB), Councillor Heesom highlighted the importance of open dialogue and information sharing with elected Members at an early stage.

The Chief Officer (Governance) gave assurance that no decisions had yet been made and that officers from the six North Wales councils would shortly be meeting to consider options for the Overview & Scrutiny model which would then be brought forward for Members' determination.

Councillor Heesom said that Members should have been made aware that such meetings were scheduled. Councillor Jones suggested a future agenda item to discuss the approach to scrutinising across North Wales.

Councillor Roberts drew comparison with the establishment of GwE (the regional School Effectiveness and Improvement Service) and its interaction with each of the six councils through the Overview & Scrutiny committees.

The Chief Officer explained that the forthcoming meeting would consider the whole range of issues for the NWEAB which would first require agreement across all six councils.

The Facilitator suggested that Members may wish to attend the Community and Enterprise Overview & Scrutiny Committee meeting in December to receive an update on the Growth Deal. The Environment Overview & Scrutiny Committee was also to be invited.

In acknowledging the concerns raised, Councillor Shotton reminded Members of previous discussions on the timetable needed to finalise arrangements and pointed out that the Growth Deal had not yet been signed off.

Councillor Jones gave a reminder of the action agreed at the previous meeting (resolution 42(g)) for a report back to the Committee on the outcome of statistical analysis of Flintshire's higher recorded incidents of parental substance/alcohol misuse etc. A further outstanding action was the provision of North Wales Police performance data which had been missing from the late addendum circulated at the meeting. Progress on both actions would be recorded in the next monthly Action Tracking report.

Councillor Peers referred to the sharing of further reports on the Flintshire bridge 'when available' and asked that a timescale be set, even if this meant deferring to a later date. The Facilitator agreed to pursue this with officers.

RESOLVED:

That the Committee notes the progress which has been made.

48. FORWARD WORK PROGRAMME

The Facilitator presented the current Forward Work Programme for consideration. No changes were proposed.

RESOLVED:

- (a) That the Forward Work Programme be approved; and
- (b) That the Democratic Services Manager, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

49. ASSET MANAGEMENT PLANNING AND THE USE OF ASSET REGISTERS

The Chief Officer (Housing & Assets) introduced a report setting out the method of asset management planning and the use of asset registers, and the Council's use in practice.

He provided an overview of the key points in developing a long-term asset strategy to optimise assets and link to the Council Plan objectives. The approach to managing assets, in respect of investment and maintenance, took account of good practice parameters set by the Wales Audit Office. The various Asset Management Plans and overarching strategy were brought together in a Corporate Asset Management Plan (CAMP) which was currently under review and due to be shared in November. As at 31 March 2019, the total balance for public assets of property and land was valued at £762m; this figure was subject to fluctuation depending on market conditions.

The Finance Manager (Technical Accountancy) provided explanation on the link between asset planning and the Capital Programme through to the Statement of Accounts where the value of fixed assets was recorded each year in accordance with requirements.

Councillor Heesom referred to a document in which the Council had responded to an asset management query survey by Welsh Government (WG) a few years before. Whilst acknowledging the advice and guidance required from officers, he stressed the importance of constructive involvement by Members and requested more detailed information on the asset management framework and its application to front-line services. In referring to the total value of the Council's assets, he asked that the Leader consider the document he referred to and the level of Member involvement on the process. He also suggested that the document be shared with Members.

In receiving a copy of the document, Councillor Roberts said that he was unaware of it. He said it would have been helpful to share it beforehand and agreed to give it due consideration.

Councillor Peers also referred to the document shared by Councillor Heesom. He spoke about Members having access to the register of corporate property, agricultural estate and industrial units and asked whether a condition survey had been undertaken on the latter. He said it was important to monitor void assets to maximise income to the Council.

In response to a further question, the Finance Manager confirmed that the total value stated was the net figure after depreciation. She drew attention to the table in the report which set out the measurement base and frequency of valuation, as prescribed.

Following a question by Councillor Bateman, the Finance Manager advised that the Council's housing stock was valued at £203m as at 31 March 2019. She went on to clarify the valuation method of 'existing use value' for social housing.

In response to Councillor Heesom's concerns about Member consultation on the future of County Hall, Councillor Roberts replied that the topic had been discussed by Cabinet and that the option to call-in the decision had not been used.

The Chief Officer (Governance) said that key decisions about the asset base of the Council had been taken openly by Cabinet in line with the agreed strategy to reduce the number of physical sites, including Council premises. This approach had achieved savings in national non-domestic rates (NNDR) and improved working conditions for employees. The decision to transfer some Council functions to Ewloe would enable the phased demolition of County Hall which would in turn reduce the Council's footprint and generate revenue.

Following a question by the Chairman on industrial units and voids, the Chief Officer (Housing & Assets) advised that occupation rates were currently high and that due to the age of some of that stock, a review would be undertaken to establish the best course of action relating to the future of its industrial units. With regard to void housing stock, the issue to the Council was the loss of rental income and if empty over the longer term, would be subject to the Council Tax premium which was charged to the Housing Revenue Account.

On 'assets held for sale' in the glossary of the report, Councillor Peers queried consistent application of the criteria to achieve the best valuation. He made reference to a query he had raised on the valuation of land at Maes Gwern to which he was awaiting a response. The Finance Manager said that the wording in the report was the prescribed criteria for the classification of assets and that land not ready to be sold would be held in 'surplus assets'. The Chief Officer (Housing & Assets) provided clarification on the outcome of the transfer of land at Maes Gwern as part of the Council's Strategic Housing and Regeneration Programme (SHARP).

Councillor Jones described the asset register as a technical document governed by strict rules and said that the Committee should note the report. In moving the recommendation, he asked that the CAMP be included in the Forward Work Programme for the next meeting.

Councillor Banks sought clarification on the nature of Councillor Peers' question.

The Chief Officer (Governance) explained that the transfer of that site involved use of a private firm to value the land, which was a practice often used by other councils when selling land.

Having reviewed the document shared by Councillor Heesom, the Chief Officer (Housing & Assets) said that it was historic given that the job titles mentioned no longer existed. The Chief Officer (Governance) advised that the process for disposal of assets had changed since that time.

In seconding the recommendation, Councillor Shotton said that the report offered an insight into the rigorous strategy on asset management prior to receiving the AMP in November. He said that the approach had significantly evolved over the years and paid tribute to the Council's investment in assets such as schools, housing and highways.

RESOLVED:

That the report be noted.

50. REVENUE BUDGET MONITORING 2019/20 (MONTH 5)

The Corporate Finance Manager presented a report on the revenue budget monitoring position for the Council Fund and Housing Revenue Account (HRA) as at Month 5 prior to consideration by Cabinet. The report reflected the budget position at the close of the financial year if all things remained unchanged.

The projected year-end position, without new actions to reduce cost pressures and improve the yield on efficiency planning, was an operating deficit of £3.042m which was a negative movement of £0.059m reported last month. The two major areas of variance had been reported at the previous meeting where the Committee was satisfied that there was very limited scope for mitigation to reduce the in-year overspend and that there would be an inevitable impact on the budget position from 2020/21. This was being incorporated into the Medium Term Financial Strategy to be shared in November. To help mitigate the overall projected overspend, there would be a review and challenge of all non-essential spend and recruitment to vacancies to achieve temporary in-year savings, and the outcome would be reported to the next meeting.

If the current overspend could not be mitigated, the balance on Contingency Reserves would be £1.827m, which was significantly less than previous years. The position on earmarked reserves was subject to changes in projected levels of school balances which were currently being reviewed.

On the HRA, in-year expenditure was projected to be £0.108m greater than budget leaving a closing un-earmarked balance of 3.35% which was above the recommended minimum level.

The Corporate Finance Manager noted Councillor Jones' request that in future, the Cabinet report be appended in the usual way, rather than as a scanned document. In response to questions, the Corporate Finance Manager reported that

confirmation had been received that Welsh Government (WG) would not provide revenue or capital funding for costs associated with the flooding event including road repairs under the Council's responsibility. On comparison with Month 9 and 10 outturns for Strategic Programmes, Housing & Assets and Central & Corporate Finance, a separate response would be shared to understand the difference in figures which could possibly be due to virements.

Councillor Jones also asked about the current position on the number of schools with a deficit budget and was informed that the outcome of the review would be incorporated into a future Revenue Budget report. On this point, Councillor Roberts spoke about the reasons that could lead to schools being in this position.

Councillors Johnson and Jones commented on car parking income and the impact on areas where on-street parking was available. Councillor Roberts advised that work was underway on restrictions in some areas and that projections on car parking income would require adjustment.

The recommendations were moved by Councillor Collett and seconded by Councillor Heesom.

RESOLVED:

That the Committee notes the Revenue Budget Monitoring 2019/20 Month 5 report and confirms that on this occasion there are no specific issues which it wishes to raise with Cabinet.

51. WELSH LANGUAGE ANNUAL MONITORING REPORT 2018/19

The Corporate Business and Communications Executive Officer presented the Welsh Language Annual Monitoring Report for 2018/19 for approval, which provided an overview of compliance with the Welsh Language Standards and areas identified for improvement. The publication of an annual report was a statutory duty and formed part of a wider programme of work to achieve generational change.

Whilst significant progress had been made in Education, Social Services and Theatr Clwyd on relating to Welsh culture and use of the Welsh language, areas of further improvement were identified in the report including understanding the skill levels of employees and building confidence to converse in Welsh.

In thanking the officer for the report, Councillor Mullin said that areas of non-compliance were mainly due to administrative errors relating to telephone calls and signage, and that the Welsh Government aim to increase the number of Welsh learners was being highlighted across the County. He acknowledged the areas where improvement was needed, noting the progress already made.

In reply to comments from Councillor Peers, the Chief Officer (Governance) provided clarification on dealing with telephone calls in Welsh including arrangements in the Contact Centre. Whilst Councillor Peers spoke in support of bilingualism, he said there should be consistency, for example the lack of English

signage at Tŷ Dewi Sant offices in Ewloe. The Chief Officer would pass the comment on and said that the building had been given the Welsh name following workforce consultation. He added that the requirement was to treat Welsh no less favourably and not to be fully bilingual.

Councillor Jones spoke in support of increasing opportunities for Welsh learners and expressed his disappointment at the significant drop in the number of employees attending Welsh language skills training from 139 in 2017/18 down to 64 in 2018/19. The Executive Officer shared the concerns and referred to plans to explore alternative types of learning to encourage numbers at entry level.

Councillor Shotton paid tribute to the work undertaken in schools, particularly the six English medium schools which had achieved the Bronze award of 'Cymraeg Campus'.

The recommendations in the report were moved by Councillor Jones and seconded by Councillor Bateman.

RESOLVED:

- (a) That the content of the annual report be approved; and
- (b) That the Committee is assured that the Council has been making progress to meeting the statutory requirements of the Welsh Language Compliance Notice.

52. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There were no members of the public or press in attendance.

(The meeting started at 10am and ended at 11.55am)

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Chairman