

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
12 JULY 2018

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, 12 July 2018

PRESENT: Councillor Paul Johnson (Vice-Chair in the Chair)

Councillors: Haydn Bateman, Bob Connah, Paul Cunningham, Patrick Heesom, Andrew Holgate, Dave Hughes, Richard Jones, Mike Lowe, Michelle Perfect, Vicky Perfect, Andy Williams and Arnold Woolley

SUBSTITUTIONS: Councillors Adele Davies-Cooke for Clive Carver, and Tudor Jones for Hilary McGuill

ALSO PRESENT: Councillor Mike Peers

CONTRIBUTORS: Councillor Aaron Shotton, Leader and Cabinet Member for Finance; Billy Mullin, Cabinet Member for Corporate Management and Assets; Chief Executive; Corporate Finance Manager; and Corporate Business and Communications Executive Officer

IN ATTENDANCE: Democratic Services Manager and Democratic Services Officer

26. DECLARATIONS OF INTEREST

None were received.

27. MINUTES

The Chair advised that the minutes were submitted to be confirmed as a correct record and not for Members to seek progress reports on particular issues.

- (i) The minutes of the meeting held on 4 June 2018 were submitted.
- (ii) The minutes of the meeting held on 14 June 2018 were submitted

Accuracy

Page 13, minute number 20 - Councillor Patrick Heesom asked that the sentence in which he referred to the analysis of current risk levels be amended to read 'benefiting young people, the A548 and Mostyn Docks'.

RESOLVED:

That subject to the above amendment the minutes of both meetings be approved as a correct record and signed by the Chairman.

28. FORWARD WORK PROGRAMME

The Democratic Services Manager presented the current Forward Work Programme for consideration.

Councillor Patrick Heesom expressed concern that the Council Plan would not be considered by the Committee until the meeting to be held on 15 November, and asked if it could be brought forward to the meeting scheduled on 20 September. The Chief Executive explained that monitoring reports on the performance of the Council Plan were provided three times a year. The Corporate Business and Communications Executive Officer said it was possible that the Q1 monitoring report (April to June) could be reported to the Committee in September but that as in previous years, the mid year report for April to September (presented in November) would demonstrate more progress.

During discussion it was suggested that there may be a need for a workshop or joint meetings of the Corporate Resources Overview & Scrutiny Committee and other Committees to ensure that an overview of the North Wales Growth Bid was maintained. It was agreed that an update report on the North Wales Growth Bid would be included on the agenda for the meeting on 15th November, following the Council Plan item.

RESOLVED:

- (a) That the Forward Work Programme, as submitted be approved.
- (b) That an update report on the North Wales Growth Bid be included on the agenda for the meeting on 15th November, following the Council Plan item.
- (c) That the Democratic Services Manager, in consultation with the Chair and Vice-Chair be authorised to vary the Forward Work Programme between meetings, should this become necessary.

29. INTEGRATED IMPACT ASSESSMENT

The Chief Executive introduced the report to enable the Committee's understanding and application of the Integrated Impact Assessment (IIA). He provided background information and invited the Corporate Business and Communications Executive Officer to give a presentation on the Integrated Impact Assessment. The main points of the presentation were:

- what do we mean by an Integrated Impact Assessment?
- what are the benefits ?
- Flintshire's approach
- next steps

Councillor Richard Jones commented on the consequences and impact of actions taken by the Authority and suggested that there was a need to provide a simpler system to assist understanding and scrutiny of matters. The Chief

Executive acknowledged the comments and said that he was confident that the MTFs workshop, to be held on 23 July, would answer some of the concerns raised.

Councillor Patrick Heesom expressed concern that the proposals put forward for the model IIA were imposing a view/solutions on service users and local communities and said more work needed to be undertaken on the tool kit.

Councillor Arnold Woolley referred to the risk matrix which he said could be applied to consider the effect of decision making proposals.

The Chair commented on the need to include equality in work and the rights of children in the IIA. He asked if the Children's Commissioner for Wales had been contacted. The Corporate Business and Communications Executive Officer said she would look into this.

The Chief Executive gave an assurance that the impact of the decisions made by the Authority were given due and fair consideration. He reminded the Committee that the IIA was only intended to be used (a) proportionately and (b) for the most significant policy and service/budget review decisions.

RESOLVED:

That the Committee welcomes the Integrated Impact Assessment and understands its purpose and uses.

30. VARIATION IN ORDER OF BUSINESS

The Chairman indicated that item 8 on the agenda – Strategic Equality Plan Annual Report 2016/18 and Welsh Language Annual Monitoring Report 2017/18 would be brought forward. The remainder of the items would be considered in the order shown on the agenda.

31. STRATEGIC EQUALITY PLAN ANNUAL REPORT 2016/18 AND WELSH LANGUAGE ANNUAL MONITORING REPORT 2017/18

The Corporate Business and Communications Executive Officer introduced the report to present the Strategic Equality Plan Annual Report 2016/18 and the Welsh Language Annual Monitoring 2017/18 Report. She provided background information and explained that the report provided an overview of progress in complying with the Equality Act and Welsh Language Standards, and identified areas for improvement.

Councillor Patrick Heesom expressed concerns that the welfare of young people was not sufficiently reflected in the Plans. The Corporate Business and Communications Executive Officer agreed in future to include examples of the work undertaken for younger and older people.

Councillor Tudor Jones commented on the impact and the opportunity that Members had to promote the Welsh language in local communities. Councillor Jones asked if the outcome of the Welsh Language skills audit included school

based employees. The Corporate Business and Communications Executive Officer explained that reporting on the Welsh Language standards was primarily on employees and that the draft Welsh language promotion covered communities. During discussion it was agreed that the Council's workforce Welsh language survey would be extended to Members.

The Chair asked what the average gender pay gap for local authorities was; a response would be emailed to members of the Committee.

In response to a concern from the Chair around promoting engagement with equality training, the Corporate Business and Communications Executive Officer explained that promotion was undertaken via the Infonet and through service management teams.

RESOLVED:

- (a) That the Committee notes the annual reports and the areas of progress for improvement which have been identified; and
- (b) That the Council's workforce Welsh Language survey be extended to Members.

32. REVENUE BUDGET MONITORING 2017/18 (OUTTURN) AND CAPITAL PROGRAMME MONITORING 2017/18 (OUTTURN)

The Corporate Finance Manager presented the report to provide Members with the Revenue Budget Monitoring 2017/18 (Outturn) Report and the Capital Programme Monitoring 2017/18 (Outturn) Report.

The Corporate Finance Manager reported on the Revenue Budget Monitoring 2017/18 (Outturn) position which was appended to the report. He referred to the Council Fund overall position and the final outturn position by portfolio (subject to audit). He advised that the overall fund position was that spend was £2.107m lower than budget. The Corporate Finance Manager advised that the reasons for the variances were summarised within appendix 2 of the report, with key significant portfolio variances explained in paragraphs 1.04 to 1.09. The Corporate Finance Manager also reported on the main considerations and referred to the achievement of planned in-year efficiencies, the Council Fund, reserves and balances, requests for carry forward of funding and the Housing Revenue Account.

Councillor Haydn Bateman drew attention to page 41 of the report and sought clarification around the budget strategy – general reserves. He also sought information on when the public conveniences in New Street, Mold were to close

The Corporate Finance Manager responded to the further questions raised by Members around the figures provided for people and resources in paragraph 1.02 of the report, and the requests for the carry forward of funding.

Councillor Richard Jones proposed that a letter be sent to the Welsh Government (WG) to express the Committee's concern at grants being made

available in late March. The Chief Executive commented on the national case and drew attention to the workshop which was to be held on 23 July. He suggested that Members might wish to wait until the workshop had been held before writing to the WG.

Councillor Patrick Heesom supported the challenging work undertaken by Councillor Richard Jones concerning budgetary matters.

The Corporate Finance Manager reported on the Capital Programme Monitoring 2017/18 (Outturn) report which was attached as appendix B to the report. He provided background information and explained that table 1 in paragraph 1.03 of the report set out how the Programme had changed during 2017/18. He also reported on the changes during this period which had resulted in a net increase in the Programme total of £2.863m as detailed in table 2 of the report. The Corporate Finance Manager reported on the capital expenditure compared to budget, the carry forward to 2018/19, and funding of 2017/18 approved schemes, as detailed in the report.

Councillor Haydn Bateman referred to the Planning & Environment Capital Budget monitoring page and asked for information on where the Flour Mill was located.

RESOLVED:

That the Committee noted the position and confirmed that there were no issues which it wanted to have reported verbally to Cabinet, other than to report that a letter was to be sent to the Welsh Government expressing the Committee's concern at grants being made available in late March.

33. REVENUE BUDGET MONITORING 2018/19 (INTERIM)

The Corporate Finance Manager introduced a report to provide known key risks and issues to the revenue budget outturn position for 2018/19 for the Council Fund and Housing Revenue Account. He explained that the interim report was the first revenue budget monitoring report of 2018/19 and provided information on the progress of achieving planned efficiencies against targets set and reported by exception on significant variances which may impact on the financial position in 2018/19.

The Corporate Finance Manager advised that although at an early stage in the financial year, the initial net impact of the emerging risks and variances as detailed in the report, was that expenditure was projected to be £1.619m lower than budget. However, he went on to say that it was important to note that without the temporary budgetary benefits of the Minimum Revenue Provision (£1.4m) and the vat refund (£1.9m) there were net risks of £1.7m for the Council to manage. The first detailed monitoring of all risks and variances would be reported to Cabinet on 25 September 2018.

The Corporate Finance Manager reported on the main considerations, concerning pay negotiations for National and Council (NJC) staff, Out of County

placements overspend, mental health services – residential placements overspend, the Minority Ethnic Achievement Grant (MEAG), the Minimum Revenue Provision underspend, and VAT rebate underspend.

Councillor Richard Jones reiterated the comments he had made at previous meetings about the need for a central Wales pool of Out of County funding for Welsh councils. The Chief Executive commented that it had been recognised across the UK that some care providers were charging unsustainable high-cost rates for some specialist care. Councillor Jones suggested that a letter be sent to the WG to outline the need for additional funding to assist local authorities and it was agreed that this would be given further consideration following the second budget workshop to be held on 23 July.

In response to a concern by Councillor Haydn Bateman around income from recycling waste, the Chief Executive explained that the income from plastic, paper, and card recycling had dropped significantly due to international market changes. He commented that the potential for income from recycling of clothes was an area which could be given more consideration.

Councillor Patrick Heesom expressed concerns on the financial risks associated with schools. He commented on the number of secondary schools in Flintshire which were in a deficit position and the further potential impact of the teacher's pay award which was to be agreed nationally. The Chief Executive referred to the measures taken by the Authority to improve school funding and said further work was being undertaken by Cabinet to give assistance to school budgets where possible in the future as part of the Medium Term Financial Strategy. The Chief Executive commented that the financial risks could only be resolved through national not local funding.

RESOLVED:

The Committee noted the position and confirmed that there were no issues which it wanted to have reported verbally to Cabinet.

34. REVENUE CONSEQUENCES OF MAJOR CAPITAL PROGRAMME INVESTMENTS

The Chief Executive introduced the report and provided a presentation on the revenue consequences of major capital programme investments. This built on the well-received model from an earlier meeting. The main investment schemes covered by the presentation were:

- impacts of capital spend on revenue
- Scheme 1 - Marleyfield Care Home
- Scheme 2 - Glanrafon Day Care Centre
- Scheme 3 - Theatr Clwyd
- Scheme 4 - NWRWTP (Parc Adfer)
- Scheme 5 - re-location to Unity House, Ewloe
- Scheme 6 - School Investment Programme – Ysgol Penyffordd
School Investment Programme – Connah's Quay High School

- school extension and remodelling
- 21st Century Schools Programme
- Schools Investment Programme

Councillor Richard Jones commented on the need to determine the impact of the capital programmes and suggested an impact assessment be carried out to show the benefits. The Chief Executive acknowledged the point made. Councillor Jones also referred to the cost of demolishing County Hall phases 3-4 and asked how this would be funded.

Councillor Patrick Heesom spoke of the architectural value of County Hall and said the building should be protected. He commented that Mold was a good location and would like services to be retained at County Hall. The Chief Executive emphasised that the move to Unity House, Ewloe, was a part re-location as the building did not have sufficient capacity for all staff or services provided. He said discussions would be held in the longer term around the development of the Mold County Hall campus site. The County Hall campus was dated, expensive to run and no longer fit-for-purpose for modern office accommodation.

RESOLVED:

The Committee noted and welcomed the report.

35. MEMBERS OF THE PUBLIC AND PRESS IN ATTENDANCE

There was one member of the press and no members of the public in attendance.

(The meeting started at 10.00 am and ended at 12.17 pm)

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Chairman