

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
14 SEPTEMBER 2023

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a remote meeting on Thursday, 14 September 2023

PRESENT: Councillor Richard Jones (Chair)

Councillors: Bernie Attridge, Bill Crease, Chris Dolphin, Alasdair Ibbotson, Gina Maddison, Allan Marshall, Vicky Perfect, Kevin Rush, Sam Swash and Linda Thomas

SUBSTITUTE: Councillor: Linda Thew (for Jason Shallcross)

APOLOGY: Councillor Ian Roberts (Leader of the Council)

CONTRIBUTORS: Councillor Christine Jones (Deputy Leader and Cabinet Member for Social Services and Wellbeing), Councillor Paul Johnson (Cabinet Member for Finance, Inclusion & Resilient Communities), Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services), Councillor David Healey (Cabinet Member for Climate Change and Economy), Chief Executive, Chief Officer (Governance), Corporate Finance Manager, Corporate Manager (Capital Programme & Assets) and Strategic Finance Managers

For minute numbers 24-25

Internal Audit, Performance & Risk Manager

For minute numbers 26-27

Senior Manager, Housing & Prevention Services

IN ATTENDANCE: Democratic Services Manager and team

20. DECLARATIONS OF INTEREST

On minute number 25 (Council Plan 2022/23 year-end performance), Councillor Bernie Attridge declared a personal interest during discussion on disabled adaptations.

21. MINUTES

The minutes of the meeting held on 13 July 2023 were approved, as moved and seconded by Councillors Bill Crease and Allan Marshall.

Matters Arising

Minute number 13: Joint Funded Care Packages - the Chair advised that the anomalies he had queried at the meeting had subsequently been confirmed by the Senior Manager, ie the transposed figure from the previous report and the amount of £12,223.39 shown on an invoice which had not been paid.

Minute number 14: Revenue Budget Monitoring and Capital Programme Monitoring 2022/23 (Outturn) - the Chair said that based on the figure quoted by the officer, the work undertaken by the Committee towards reducing the outstanding debt for continuing health care joint packages should benefit the Council's finances by £36-50k per annum.

Minute number 18: Delivering public services in the 21st Century - the Chair would liaise with the Chief Executive on themes for future reports.

RESOLVED:

That the minutes be approved as a correct record.

22. ACTION TRACKING

The Democratic Services Manager presented an update on actions arising from previous meetings.

The recommendation was moved by Councillor Allan Marshall and seconded by the Chair.

RESOLVED:

That the Committee notes the progress which has been made.

23. FORWARD WORK PROGRAMME

In presenting the current Forward Work Programme, the Democratic Services Manager confirmed that arrangements were being made for the all-Member session on the work of the Coroner's Office.

As requested by Councillor Bernie Attridge, an update on the current position with Community Asset Transfers would be shared with the Committee. In the interim, Councillor Attridge was asked to contact the Corporate Manager (Capital Programme & Assets) regarding a specific ward issue.

A request by Councillor Sam Swash for a periodic review of performance against the Freedom of Information Act would be scheduled accordingly.

On that basis, the recommendations were moved and seconded by Councillors Bernie Attridge and Linda Thomas.

RESOLVED:

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

24. CORPORATE SELF-ASSESSMENT 2022/23

The Chief Executive introduced the report on progress with the Corporate Self-Assessment for 2022/23 which summarised feedback from consultation and stakeholder engagement on the findings from analysis against the eight themes. He thanked the Committee for their involvement in the drafting process.

The Internal Audit, Performance & Risk Manager outlined improvements made to the self-assessment model following the pilot undertaken for 2021/22 and the range of consultees throughout the three-stage process. The final report indicated that overall, the Council had performed well against the assessment with areas identified for improvement currently being actioned. The report also detailed progress with areas for improvement identified from the 2021/22 pilot. The report would be considered by the Governance & Audit Committee prior to final approval by Cabinet.

The Chair queried whether the workshop in June had been open to all Members as attendance had been low. It was clarified that representatives from this Committee, Governance & Audit Committee and Cabinet had been invited. The Chair highlighted the importance of Culture, Resilience, Value and Ethics, as raised during the workshop, and questioned whether these had been clearly reflected in the document.

On the theme of 'Customer and Community Engagement', Councillor Bernie Attridge called for greater engagement with members of the public and elected Members, including use of social media. He said that corporate ownership should be led by senior officers and that the provision of support for customers, for example in Connects offices, required urgent review.

In response to the Chair's comments, the Internal Audit, Performance & Risk Manager drew attention to the areas identified for improvement where themes relating to culture, value and ethics detailed actions to be embedded across the organisation and measured accordingly. Examples were shared on reports and policies which reflected increasing resilience within the Council, and plans to develop a performance culture through the framework.

In acknowledging the importance of embedding those issues across the organisation and structure, the Chief Executive spoke about ongoing work to improve corporate ownership of service delivery. He provided clarification on the senior leadership academy referenced in the document which was one method of implementing a more unified approach to service delivery across the Council. He went on to state that the culture of the Council was led from the top and influenced by the behaviour of officers and Members, with the aim for a collective consistent approach to achieve the delivery of high quality services.

Councillor Bill Crease stressed the importance of performance management being driven by data interrogation to help focus on areas of under-performance, for example the recent data shared on telephone response times in the Contact Centre. During discussion, the Chief Officer (Governance) reminded

Members of the ongoing issues which had been regularly reported and corporate actions being taken to improve staff turnover across the Council.

The expectations and demands upon the Contact Centre were recognised by Councillor Linda Thew who was assured that options were being explored to increase resilience.

Councillor Gina Maddison commented on potential links between Connects Centres and libraries which the Chief Executive said was one of a number of possibilities under consideration.

The Chair and Councillor Crease acknowledged the issues and spoke about the importance of customers being assured of responses and actions.

The recommendations were moved and seconded by the Chair and Councillor Allan Marshall.

RESOLVED:

- (a) That the findings of the Corporate Self-Assessment 2022/23 be accepted and approved; and
- (b) That the opportunities for improvement identified in the Corporate Self-Assessment 2022/23 be approved.

25. COUNCIL PLAN 2022-23 YEAR-END PERFORMANCE

The Chief Executive presented the monitoring report to review year-end progress against Council Plan priorities identified for 2022/23. Overall this was a positive report with 77% of activities showing good progress and 62% of performance indicators (PIs) having met or exceeded their targets. Following previous feedback, the report had been reviewed to provide more clarity on identifying areas for improvement. The exception-based covering report highlighted six outstanding actions and 25 PIs which had not been achieved, alongside explanations, some of which involved external factors.

The Internal Audit, Performance & Risk Manager responded to a question from the Chair on reporting arrangements including the annual refresh of the 5-year Council Plan. She went on to say that target dates for priorities could be 12 months or longer term, including milestones where required, and would feedback to the Performance team to ensure that targets were clearly defined in the document.

In response to comments from Councillor Bernie Attridge, it was confirmed that each Overview & Scrutiny committee considered quarterly performance reports relating to their terms of reference and were able to raise specific areas for further review on their respective forward work programmes.

The Chair said that whilst this committee should not duplicate the role of other Overview & Scrutiny committees, areas of concern should be referred as appropriate.

Councillor David Healey highlighted the alignment of the Plan with well-being objectives. Under Child Poverty, he praised the 100% completion rate on *'Working with partners to ensure children in areas of social deprivation have access to food, exercise and enrichment schemes during school holidays'*, asking whether the offer had been extended into the summer of 2023.

The Chief Executive advised that schemes were available and that more specific detail would be shared. Councillor Healey suggested sharing the response with all Members.

Whilst noting actions under the remit of other committees, Councillor Alasdair Ibbotson he said it was important for this Committee to have oversight of missed/extended targets to consider the in-year financial implications and impact on the Medium Term Financial Strategy. On the Social Housing sub-priority, he asked for more detail on the PIs relating to new Council homes, affordable housing and Registered Social Landlord homes under construction.

The Chief Executive advised that response times to disabled adaptations had improved over the years with changes made to the process, however some legacy issues affecting larger adaptation schemes were negatively influencing performance. On social housing developments, the overall target was 50 units per year as reflected in strategic reports, however the lack of progress on a scheme involving partners had affected performance outturns. Reference was made to the potential for additional funding to meet increased demand for social housing. Members' attention was drawn to recent detailed reports to the Community & Housing Overview & Scrutiny Committee on these matters.

Councillor Bill Crease thanked officers for the covering report which helped the Committee to focus on relevant data. His comments were endorsed by the Chair.

The recommendations in the report were moved and seconded by Councillors Gina Maddison and Allan Marshall.

RESOLVED:

- (a) That the Committee supports levels of progress and confidence in the achievement of priorities as detailed within the Council Plan 2022/23;
- (b) That the Committee supports overall performance against Council Plan 2022/23 performance indicators/measures; and
- (c) That the Committee is assured by explanations given for those areas of underperformance.

26. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2024/25

The Chief Executive and Corporate Finance Manager presented an update on the additional budget requirement for 2024/25 in advance of consideration by Cabinet. The significant challenge facing the Council in identifying solutions to agree a legal and balanced budget by March 2024 were emphasised.

The updated forecast indicated a minimum budget requirement of an additional £32.386m of revenue resources for 2024/25, taking into account ongoing risks such as the latest national position on public sector pay, the estimated impact of known changes to service demand and ongoing inflationary impacts. The report detailed changes since July including ongoing risks that could change the budget requirement and work undertaken by portfolios over the Summer following Member budget workshops in July. Funding solutions set out the findings from portfolio reviews including cost pressures and revisiting excluded options for 2023/24, all of which would be subject to consideration by Overview & Scrutiny committees in October. A summary of the revised overall position at this stage indicated a remaining budget gap of £14.042m to set a legal and balanced budget. In recognising the major budget challenge for 2024/25, representations for an improved settlement were continuing across Wales.

Councillor Bernie Attridge shared concerns about the potential outcome in the absence of a significant uplift in the settlement from Welsh Government.

In response to Councillor Alasdair Ibbotson's query on the Stonewall subscription being amongst the additional options to be considered, the Chief Executive said it should be recognised that difficult choices would need to be made and that every aspect of the budget would need to be reviewed.

The Chair commented that the list of options from 2023/24 to be revisited would need to be risk-assessed prior to consideration by Overview & Scrutiny, as confirmed by the Corporate Finance Manager. Following a query on a new pressure in schools, the Chief Executive explained this was a requirement due to a more rigorous approach by Estyn on health and safety in the school estate. As requested, the Corporate Finance Manager provided details of the budget workshops scheduled for October and urged Members to attend.

The Chair sought clarity on the report's conclusions to which Councillor Paul Johnson spoke about the Council's approach to the budget and the role of Members in reaching difficult decisions to respond to the scale of the challenge for 2024/25.

The Chief Executive referred to the Council's lean structure and track record in being regarded as well run financially. However, the budget position for 2024/25 would require a different approach in order to create a programme of transformation that would develop a sustainable base of financial stability for future years. Statutory services would continue to be delivered safely by working through those standards but would require unavoidable changes.

The recommendation in the report was moved and seconded by Councillors Bernie Attridge and the Chair.

RESOLVED:

That having considered the Medium Term Financial Strategy and Budget 2024/25 report, the Committee confirms that there are no specific matters to be reported back to Cabinet when it considers the report on 19 September.

27. REVENUE BUDGET MONITORING 2023/24 (MONTH 4) AND CAPITAL PROGRAMME MONITORING 2023/24 (MONTH 4)

The Strategic Finance Managers presented reports on the 2023/24 month 4 position for the Council Fund and Housing Revenue Account (HRA) and the Capital Programme, prior to consideration by Cabinet.

Revenue Budget Monitoring

On the Council Fund, the projected year-end position was an operating deficit of £2.644m (excluding the impact of the pay award to be met from reserves) with a contingency reserve balance of £4.043m at year-end (after the estimated impact of pay awards). It was confirmed that Hardship Funding received from Welsh Government (WG) during 2022/23 had now ceased and the balance of £3.743m of those reserves had been carried forward. The economic outlook remained challenging due to continuing inflationary rises and increases in service demand. A summary was given of the projected position across portfolios and as previously requested, future budget monitoring reports would include a breakdown of movements.

An overview of risks included the latest position with the waste recycling infraction charge, growing demand for homelessness services and out of county placements, and the forthcoming renewal of the fleet contract. Based on the current position, it was projected that 99% of planned efficiencies would be achieved by year-end.

On the HRA, net in-year revenue expenditure was forecast to be £0.065m lower than budget with a projected closing balance of £3.262m.

Councillor Alasdair Ibbotson asked about the Local Development Plan (LDP) allocation set aside in the form of a revenue budget line and earmarked reserves totalling around £0.250m. He also requested information for the next meeting on revenue raised from the increase in Council Tax premiums on long-term empty properties and second homes for the current year relative to that of the last few years.

The Corporate Finance Manager agreed to liaise with the Revenues & Procurement Manager to provide the latter. On the LDP query, it was clarified that the transfer of those remaining earmarked reserves from 2022/23 were included in the contingency reserves brought forward into the current year. Members were advised that the remaining LDP revenue allocation of around

£110k remained within the Planning, Environment & Economy budget for 2023/24 prompting Councillor Sam Swash to query why this amount had not been transferred into reserves to help the overall position. The Corporate Finance Manager agreed to provide a separate response.

The Chief Executive gave assurance that work was taking place to review any unspent allocations without contractual commitments that could be placed into reserves.

Following concerns raised by Councillor Bernie Attridge at the number of movements in approved budgets at this early stage, the Chair agreed and suggested that the overspend for mental health packages be referred to Social Services for further explanation on how costs were projected.

Councillor Christine Jones commented on the pressures in Social Services and would pursue a full response from the Service Manager.

In referring to current market conditions and associated high costs, the Corporate Finance Manager spoke about the volatile and complex demands on some services.

As requested by the Chair, the Strategic Finance Manager provided clarification on the reallocation of actuarial valuations on pensions budgets and would provide an overview of the changes to approved budgets shown in Table 1. In relation to the £0.414m underspend for residential placements in Children's Services, a response would also be shared on the potential impact to the budget once the WG grant ceased beyond 2024/25.

On the overspend in Housing & Communities, officers advised that the report on homelessness being prepared by the service would be shared with the Committee at the earliest opportunity.

Capital Programme

The revised programme for 2023/24 was £99.084m taking into account all changes including carry forward sums. Changes during the period were mainly due to the in-year allocation of additional WG grant funding. The projected outturn position was £95.955m leaving a £3.129m underspend recommended to be carried forward for the completion of schemes in 2024/25. During the quarter, there was one additional allocation identified in the programme, as detailed in the report and no savings were identified. Capital receipts for the period totalled £0.651m giving a revised projected surplus in the Capital Programme at month 4 of £1.953m for the 2023/24-2025/26 Capital Programme, prior to the realisation of additional capital receipts and/or other funding sources. The report also included an update on the position with prudential indicators in line with the new requirement.

Given the budget position, Councillor Bernie Attridge asked whether a moratorium should be imposed on any non-urgent capital spend not yet committed.

Officers confirmed that all aspects of Council spend were under review and considered on a case by case basis.

On the £0.055m additional allocation for hybrid meeting equipment in the Delyn Room, Councillor Alasdair Ibbotson requested a cost breakdown to consider whether this represented value for money.

The Chief Officer (Governance) provided clarity on this work and agreed to share contractually confidential information with Members as requested.

The recommendations were moved and seconded by the Chair and Councillor Bernie Attridge.

RESOLVED:

- (a) That having considered the Revenue Budget Monitoring 2023/24 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet;
- (b) That a separate report being prepared by Housing & Communities be shared with the Committee at the earliest opportunity; and
- (c) That having considered the Capital Programme Monitoring 2023/24 (month 4) report, the Committee confirms that there are no specific matters to be raised with Cabinet.

28. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 1pm)

.....
Chair