



JOINT SCRUTINY COMMITTEE

MINUTES OF THE MEETING HELD VIA MICROSOFT TEAMS ON THURSDAY 14TH JANUARY 2021 AT 5.00PM

PRESENT:

Councillor J. Pritchard - Chair
Councillor G. Kirby – Vice Chair

Councillors:

M. Adams, Mrs E.M. Aldworth, C. Andrews, C. Bezzina, L.J. Binding, A. Collis, S. Cook, C. Cuss, W. David, D.T. Davies, N. Dix, K. Etheridge, M. Evans, A. Farina-Childs, A. Gair, J. Gale, N. George, C. Gordon, L. Harding, D. Harse, A.G. Higgs, A. Hussey, V. James, G. Johnston, Mrs B.A. Jones, S. Kent, Mrs A. Leonard, C.P. Mann, P. Marsden, B. Miles, S. Morgan, B. Owen, Mrs T. Parry, Mrs L. Phipps, Mrs D. Price, J. Ridgewell, R. Saralis, Mrs M.E. Sargent, J. Simmonds, S. Skivens, Mrs E. Stenner, C. Thomas, A. Whitcombe, R. Whiting, L G. Whittle, W. Williams

Together with: -

C. Harray (Chief Executive), M.S. Williams (Interim Corporate Director of Communities), D. Street (Corporate Director Social Services), R. Edmunds (Corporate Director Education and Corporate Services), S. Harris (Head of Financial Services and Section 151 Officer), J. Southcombe (Finance Manager), S. Richards (Head of Education Planning and Finance), L. Donovan (Head of People Services), M. Jones (Finance Manager), R. Kyte (Head of Regeneration and Planning), L. Lucas (Head of Digital and Customer Services), J. Williams (Deputy Director Social Services), S. Couzens (Housing Manager), M. Lloyd (Head of Infrastructure), C. Forbes-Thompson (Scrutiny Manager), E. Sullivan (Senior Committee Services Officer)

WEB-CASTING FILMING AND VOTING ARRANGEMENTS

The Chair reminded those present that the meeting was being filmed and a recording would be available following the meeting via the Council's website – [Click Here to View](#). He advised that decisions would be made by Microsoft Forms.

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors A. Angel, J. Bevan, P. Bevan, D. Cushing, M. Davies, K Dawson, C. Elsbury, C. Forehead, E. Forehead, J. Fussell, R. Gough, D. Hardacre, D. Havard, M. James, L. Jeremiah, P. Leonard, G. Oliver, D. Poole, D. Preece, J. Roberts, J. Scriven, G. Simmonds, J. Taylor, T. Williams, B. Zaplatynski.

2. DECLARATIONS OF INTEREST

There were no declarations of interest received at the beginning or during the course of the meeting.

3. DRAFT BUDGET PROPOSALS FOR 2021/22

Consideration was given to the report which provided details of the draft budget proposals for the 2021/22 financial year.

Members were advised that the 3.1% uplift in the Provisional Financial Settlement, along with the proposed 3.9% increase in Council Tax and savings in advance meant there would be no new savings required for the 2021/22 financial year. Together this provides sufficient income to maintain service provision across the Council, fund increasing demand and service pressures in key areas such as Social Services and Education, enables new community focussed investments in areas such as Caerphilly Cares and the proposed Community Empowerment Fund, provides the capacity and resilience required to drive forward the Team Caerphilly Transformation Programme and Place Shaping Plan, and addresses legacy issues in respect of income shortfalls in a number of service areas.

Members were informed that the draft budget proposals did not include additional costs or income losses arising from the Covid-19 pandemic as these will continue to be managed through grant claims to the Welsh Government (WG) and are not included in the Financial Settlement.

Members were asked to note the various cost pressures and growth bids including those in Schools, the Council Tax Reduction Scheme, Social Services, Education and Lifelong Learning, Planning, Digital Services, and Car Parking as a result of the recent Scrutiny Task & Finish review. Reference was also made to the growth bid included in the budget in relation to Additional Staffing Capacity and it was explained that these resources were required in order to recruit the necessary staff to progress the Council's Transformation Strategy and Place Shaping Plan.

In terms of the future financial outlook the Section 151 Officer explained that the funding situation for Local Government is likely to be challenging due to the unprecedented fiscal impact of Covid-19 and the strain that will put on public finances for years to come. Members would also be aware that the UK Government had only undertaken a comprehensive spending review for the 2021/22 financial year so there was currently no clarity on future settlements. Because of this a scenario had been built into the updated Medium-Term Financial Plan (MTFP) based on assumptions of a 1% increase year on year in WG funding, and the potential shortfall that the Council could be facing moving forward was summarised.

Members asked for an update on the work of the Transformation Team and were advised that there is a bold plan for both the Council and communities and that this has now been enhanced with 10 new corporate reviews and the emerging Place Shaping Plan. Members were advised that further details of the Place Shaping Plan would be made available in February 2021 and officers stressed that the Team Caerphilly transformation programme provides a framework that is pivotal for the MTFP and in order to deliver this agenda it is vital that additional staffing capacity is put in place.

A Member questioned the additional £526k for Transformation/Place Shaping in Table 4 of the Draft Budget Proposals Report and asked about the monitoring process for performance and value for money. The governance framework for the Team Caerphilly Transformation Programme was outlined which includes Scrutiny reports, Cabinet reports, Member Seminars and monitoring by a Programme Board. Members were advised that in order to achieve

transformation additional resources are needed to support the programme and existing staff will have the opportunity to be considered for new roles, but this would require back-filling of positions to ensure that day-to-day work continues. Members were also advised that a Members' Seminar would be arranged that would provide further details on the Transformation Programme.

Members sought further detail on the APT&C employer pension contribution increase for 2022/23. The Joint Scrutiny Committee were advised that the Torfaen Pension Fund is subject to an independent actuarial assessment every three years and that the recommendation for the 2020/21 and 2021/22 financial years was that no increase in employer contribution levels would be required. However, an increase of 1% was recommended for 2022/23. The next triennial valuation will determine whether increases will be required from 2023/24 but the updated MTFP appended to the Draft Budget Proposals Report currently assumes an increase of 1% per annum.

Members sought comparative details on the proposed 2021/22 Council Tax uplift of 3.9% and noted that this would result in a Band D property having an 89p weekly increase. Officers advised Members that the 2020/21 Band D Caerphilly CBC element of Council Tax is £1,184 and that this is second lowest in Wales and the lowest in Gwent. By way of comparison the 2020/21 Band D figure for Blaenau Gwent CBC is £1,712 and £1,670 for Merthyr Tydfil CBC. Members were also reminded that the Council Tax Reduction Scheme (CTRS) provides significant financial support for eligible households.

Members noted that the proposed 3.9% increase in Council Tax will provide additional revenue of £3.097m and that there would also be a corresponding increase of £602k in the CTRS budget. A Member asked if a lower increase in the Council Tax would result in a lower increase in the CTRS budget. Officers explained that the increase in Council Tax must be matched by a corresponding increase in the CTRS budget and that funding was provided through the Financial Settlement.

Concern was expressed in relation to the impact of the pandemic on Mental Health and what if any additional funding provision had been put in place in order to mitigate potential increases in service demand. Members noted the additional pressures placed on Social Services during the pandemic and the work done to recoup costs via various grant funding streams and although there is no additionality in terms of Mental Health provision, Social Services would be working closely with the Aneurin Bevan Health Board while they reviewed their mental health provision. The Member emphasised the importance of getting ahead of this in order to avoid a crisis in mental health provision and welcomed the opportunity to take this issue forward on a cross party platform.

Members queried whether the number of high-level posts detailed within the draft budget were necessary and if savings could be achieved here in order to offset the proposed increase in Council Tax, clarification was also sought as to how these appointments would be monitored going forward.

Members were assured that governance of Team Caerphilly was already in place and provided robust monitoring of progress. In terms of the growth detailed within the report this would be used to lever in significant additional investment. These resources were vital to achieving progress on both the Transformation Strategy and Place Shaping Plan, which could not be progressed at the necessary pace without them.

In terms of Planning the additional resources would allow for the realignment of income budgets and provide resilience to the service, specifically entry level graduate posts for Planning Officers. It was noted that the Planning service was facing enormous pressures due to depleted staffing numbers, and these appointments would be suitably qualified officers required to deliver quality services. Reassurances were given that there would still be opportunities through the Gateway to Employment scheme and apprenticeships.

Concerns were raised regarding the impact of COVID on businesses and if these had been incorporated into budget assumptions and clarification was also sought as to how regional opportunities were being pursued in order to safeguard and secure local businesses. Potential funding opportunities were explained, and it was noted that regional working opportunities would continue to be taken up. Members noted the severe impact that the pandemic had on local businesses and the grant funding provided to assist them was detailed, it was noted that over £1Billion had been distributed to Welsh businesses during the pandemic. The need to support local business during the recovery process was emphasised and Members placed on record their thanks for those who had worked so hard getting the various grants paid out so quickly under such extraordinary circumstances.

The Chair thanked Members and Officers for their contributions and confirmed that the comments of the Joint Scrutiny Committee would now be reported to Cabinet and Council as part of the consultation process.

Meeting closed at 18:23pm