

RESOURCES SCRUTINY COMMITTEE

Minutes of a meeting of the Resources Scrutiny Committee held in the Council Chamber, County Hall, Ruthin on Thursday, 17th January 2008 at 10.00a.m.

PRESENT

Councillors G.C. Evans (Chair), R.E. Barton, J.M. Davies, T.R. Hughes, S. Roberts and G. Williams together with Councillor J. Thompson-Hill (Cabinet Lead Member for Finance).

Observers: Councillors J.R. Bartley, M.L.I. Davies, N. Hugh-Jones and M.M. Jones.

ALSO PRESENT

Corporate Director: Resources, Financial Controller, Head of ICT (P. Wickes), Head of Customer Care (C. Williams), Scrutiny Support Officer (S. Price) and Administration Officer (W.J. Harness) together with WLGA Adviser - D. Sutherland.

WELCOME

The Chair extended a welcome to Mr. D. Sutherland of the WLGA who was attending the meeting in his role as an observer to assist in monitoring the Authority's progress against the action plan drawn up in response to the Estyn Inspection of the Education Service.

664 URGENT MATTERS

In accordance with Section 100B(4) of the Local Government Act, 1972, the Chair declared that he intended to include for discussion the following matter which required urgent attention –

Respiratory sensitiser Questionnaire

665 MINUTES

(a) The minutes of the meeting held on 29th November 2007 (previously circulated) were submitted.

Matters Arising –

Page 3 – Item No. 4 – Development Opportunities – Enquiry – In response to Councillor G. Williams' enquiry as to progress with this matter, the Scrutiny Support Officer advised Members that he was aware that, prior to his secondment, J. Curran had passed the information on to relevant officers.

Following discussion the Corporate Director: Resources agreed to follow the enquiry up as a matter of urgency.

RESOLVED that the minutes of the meeting held on the 29th November 2007 be approved.

(b) The minutes of the special meeting held on 10th December 2007 (previously circulated) were submitted.

Matters Arising –

Page 1 – Item 1 – Education Finance – In response to Councillor R.E. Barton's request for an analysis of the problems identified by the Estyn Inspection within the Lifelong Learning Directorate, the Chair reminded Members that the Chief Executive had informed them that, once the Action Plan in response to the Estyn Inspection was in place, he would establish a working group to look at how the problems had arisen.

Responding to Councillor S. Roberts' question, the Scrutiny Support Officer confirmed that the interim Director of Lifelong Learning's portfolio covered all the services provided by that Directorate.

In conclusion, Councillor G. Williams proposed, seconded by Councillor R.E. Barton that a formal request should be made from the Committee to the Chief Executive to establish an enquiry into how the problems within the Education Service, as identified by the Estyn Inspection, had arisen.

RESOLVED that –

- (a) *the minutes of the Special Meeting held on 10th December 2007 be approved; and*
- (b) *a formal request be made to the Chief Executive to establish an enquiry into how the problems within the Education Service, as identified by the Estyn Inspection, had arisen.*

666 BUDGET 2008/09 UPDATE

The Corporate Director: Resources submitted a report (previously circulated) which (a) advised Members of progress with the budget setting exercise for 2008/09; and (b) sought their views on the proposals for cost savings and Cabinet's response to Directorates' prioritised bids for additional resources for service pressures in the next financial year. The Corporate Director's report consisted of a number of appendices that showed (i) the overall summary position; (ii) the potential position for future years; (iii) Directorate proposals for cost savings; (iv) detail of bids made by the various Directorates for additional resources; and (v) recommended use of the Performance Grant.

Councillor J. Thompson-Hill, Lead Member for Finance, introduced the report advising Members of the position to date and suggesting that Members consider the report in two parts – (i) the overall budget position; and (ii) the proposals for the Resources Directorate, County Clerk's Department and for Corporate Budgets.

The Financial Controller referred to the Provisional Welsh Assembly Government (WAG) funding settlement for 2008/09 to 2010/11 of a 2.3% increase in budget and to the pressures put on WAG by the Welsh Local Government Association (WLGA) and Local Authorities for an improved settlement. He advised that the Minister's response to that pressure had been that the settlement figure would not be increased. The Financial Controller added that, in previous years, WAG had advised local authorities of the final funding settlement prior to Christmas. As that figure would not, this year, be known until towards the end of January, finalising the Authority's budget had been made very difficult.

The Financial Controller subsequently highlighted the main points of Appendix 1 that showed the overall summary position of the 2008/09 budget. He advised that it had been recommended that the additional WAG funding of £70k (referred to at no.5 on page 1 of the Appendix) should be split between Social Services and County Clerks. Adding that that would assist to address the County Clerk's bid for additional Legal staff.

Having regard to the savings of £131k identified within Lifelong Learning, the Financial Controller advised that a report was currently being prepared that would show additional savings that would increase that figure up to £400k. That report was due for consideration the following week.

The Financial Controller subsequently explained the further bids for additional resources and the potential sources of additional savings to fund £1.8m of bids. He

said that it was hoped to set the Council Tax increase for 2008/09 at 3%, however, at the present time it was not clear that that was deliverable.

Members took the opportunity of raising matters with the officers who responded to their specific questions as follows –

- LABGI funding was based on a three year scheme and 2008/09 was the last year of the current scheme. Confirmation of this year's funding was still awaited
- Whilst the price of oil had fallen recently, the cost had still risen by 15% year on year
- One of the major findings of the Estyn Inspection had been that the Education Service lacked strategic direction and as a result it was not clear whether the Authority was diverting resources to the right places. Another major issue arising from the Estyn Inspection had been the clear need to increase and to strengthen the School Improvement Team. Schools had indicated their wish to have this point of contact. Recruitment to positions within the Team was ongoing
- Local Authorities were currently working therein the third year of the WAG efficiency programme. An all-Wales group was currently meeting in order to clarify exactly what qualified as an efficiency saving and to revise the original guidance from WAG.
- The Authority did have a 'spend to save' fund and it was proposed to give priority in 2008/09 to looking at working arrangements within Caledfryn, Denbigh.

In respect of Councillor G. Williams' query regarding Members' responsibility relating to health and safety issues and corporate manslaughter implications, it was agreed to seek the views of the County Clerk.

The Corporate Director: Resources reminded Members that 2008/09 was a difficult year in terms of funding. Some of the aspects of the five year projections prepared by the Financial Controller clearly indicated that the budget for the Authority was becoming increasingly tighter. Whilst mandatory services would have to be delivered, the Corporate Director said that debate would take place over the following year in order to identify what services the Authority could and could not afford to provide.

The Corporate Director added that there was no expectation within the Resources Directorate for additional funding for support services. However, certain services within the Directorate were essential in terms of supporting the organisation's progress and there was a risk in not investing.

The Corporate Director also referred to the fact that had the Authority's Procurement Team not been so proactive, many of the identified efficiencies would not have been delivered.

The Head of ICT reminded Members of the current drive for efficiency savings within the organisation together with the use of remote e-working – both of which provided additional work for his department. Those tasks had put additional pressure on members of his staff who already had a full workload. In acknowledging the Authority's present day reliance on ICT, the Chair asked whether additional funding could be found for the department.

The Corporate Director: Resources indicated that he would welcome a discussion on that matter.

In response to a question from Councillor G. Williams, the Corporate Director: Resources reminded Members that a report in respect of workforce planning/staffing levels would be submitted for their consideration in March.

At this point in the proceedings Members adjourned for a comfort break.

On returning to the meeting Members agreed with the Chair that they wished to continue their discussions in Part II owing to the likely disclosure of exempt information, with Councillor R.E. Barton formally proposing and Councillor G. Williams seconding that proposal.

EXCLUSION OF PRESS AND PUBLIC

***RESOLVED** that under Section 100A(4) of the Local Government Act 1972 the Press and Public be excluded from the meeting for the remainder of the item on the grounds that it would involve the likely disclosure of exempt information as defined in paragraph 14 of Part 4 of schedule 12A of the Local Government Act 1972.*

In the absence of the County Clerk, the Lead Member for Finance submitted the proposals for the County Clerk's Department that consisted of a number of new posts within Legal Services.

During the ensuing discussion Members were in agreement that, as the services provided by the Legal Department had an impact on all other departments within the Authority, the County Clerk's submissions should be supported. The Financial Controller reminded Members that the County Clerk's allocation of £35k of the additional WAG funding could almost fund the first prioritised post of Legal Officer – Highways.

Members recommended that the need for the additional posts requested by the County Clerk should be supported and that Cabinet should provide what support it could to the prioritised posts based on a risk assessment.

Having regard to the Criminal Records Bureau training requirement pressure bid, the Scrutiny Support Officer was asked to ascertain where and how this funding would be used and the identified need for such training.

In response to Members' further questions, officers responded as follows –

- The cost of providing Member support on IT included the cost of Broadband and the Citrix licence
- Council needed to debate the provision of IT Services to Members in order for Members to form a view as to how this would be managed
- Whilst Cabinet costs could be examined, the exercise would be time consuming as many of those costs were corporately supported e.g. officer support.

The Corporate Director advised that the Capital Strategy Group had recently formed its first view of capital spend in 2008/09. Members agreed that they wished to receive updates on the overall budget position and consider the Capital Strategy Group's proposals at its next meeting on 31st January 2008.

Members subsequently considered the pressures/growth in the Lifelong Learning Directorate for 2008/09 and made the following particular observations –

- (i) Drift Park Pool – a reduction in the hours of opening could lead to a reduction in income for the local authority – particularly in respect of use of the pool on hot days

- (ii) Bodelwyddan Castle, Llangollen and Rhyl Pavilions – concern at the impact a cut in subsidy would have on all three premises
- (iii) In view of the considerable funding required to address the issues highlighted by the Estyn Inspection, Members were concerned at the impact such funding would have on non statutory services
- (iv) that the local authority could consider zero based budgeting
In response to a question from Councillor T.R. Hughes, the Corporate Director: Resources said that he would circulate to Committee members a copy of the report that had shown how effectively the Authority had spent the funding from WAG in respect of the performance improvement grant.

Following a further question from Councillor T.R. Hughes in respect of the local authority's leisure centres – hours of opening and staffing – the Chair suggested that relevant officers responsible for the Lifelong Learning services could be invited to attend a Resources Scrutiny Committee meeting in order to advise members more fully and that this could be included in the Committee's work programme.

Members subsequently agreed that, as time did not permit them to consider the pressures/growth for the Environment and Social Services & Housing Directorates that day, discussion in respect of those Directorates should continue at the Committee's next meeting to be held on 31st January 2008.

As the workload for the Committee's next meeting was already considerable, the Chair suggested, and Members agreed, that the meeting commence at 9.30a.m.

The Chair thanked both the Members and Officers for attending and for their contribution to the discussion regarding the local authority's budget.

Following the Chair's thanks for attendance and invitation to comment, the WLGA Adviser confirmed that the Committee's discussion was evidence that it was fulfilling its role in respect of monitoring the progress of the Estyn Action Plan recommendation on the use of resources.

RESOLVED that –

- (a) *the report by the Corporate Director: Resources be accepted;*
- (b) *Members' comments be relayed to Cabinet; and*
- (c) *the Environment and Social Services & Housing Directorates' pressures/growth for 2008/09 should be considered on 31st January 2008.*

OPEN SESSION

Upon completion of the foregoing the meeting resumed in Open Session.

667 SCRUTINY WORK PROGRAMME

The Scrutiny Support Officer submitted a report (previously circulated) that reviewed the proposed Work Programme for the Resources Scrutiny Committee and updated Members on previous issues highlighted by the Committee.

The Scrutiny Support Officer reminded Members that the Capital Strategy Group's recommendations regarding projects for future funding would be submitted for their consideration on 31st January 2008 and that the report to consider the progress and developments within the area of E-Government and Customer Care would be submitted to the meeting on 27th March 2008.

Also for consideration by Members on the 31st January was a report in respect of the Committee's monitoring role of the use of resources to address the Estyn Action Plan. The Scrutiny Support Officer reminded Members of the updating sessions to be given by the Modernising Education Board in respect of Estyn related issues that were to be held on the 31st January commencing at 9.00a.m. Whilst earlier in the meeting Members had agreed to a 9.30a.m. start for their meeting on 31st January, they subsequently confirmed that the meeting should commence at that time or at the conclusion of the briefing session if later.

Insofar as the report in respect of trends in employment was concerned, the Scrutiny Support Officer advised that this report had been moved to the March meeting at the request of officers. It had also been suggested that the report in respect of issues highlighted during consideration of the ICT Strategy should be moved to the February meeting as a considerable amount of the required information would not be available for the 31st January meeting.

As approximately 7 or 8 reports, including continuation of consideration of the Council's budget for 2008/09, remained to be considered by Members at their meeting on 31st January, it was agreed that the Chair together with the Scrutiny Support Officer prioritise matters in order to deliver a manageable agenda.

RESOLVED that –

- (a) *the report should be received and the Work Programme for the Resources Scrutiny Committee as contained in Appendix 1 be approved;*
- (b) *that the Scrutiny Support Officer and Chair of the Committee prioritise matters in order to deliver a manageable Agenda for the Committee's next meeting on 31st January 2008; and*
- (c) *that the meeting scheduled for 31st January 2008 should commence at 9.30a.m. or immediately following the conclusion of the briefing session by the Modernising Education Board in respect of Estyn related issues, if later.*

668 QUESTIONNAIRE IN RESPECT OF RESPIRATORY SENSITISER ISSUES

Members were advised that the return rate of questionnaires issued to managers by Occupational Health in September 2007 in respect of staff working with respiratory sensitiser had been extremely poor. Whilst it was understood that the Corporate Executive Team (CET) had taken the matter up and the response rate had improved, members asked that they receive an information report on the situation at a future meeting.

RESOLVED that an information report be requested on the return rate of the respiratory sensitiser questionnaires.

The meeting concluded at 1.15p.m.
