

CORPORATE PERFORMANCE AND RESOURCES SCRUTINY COMMITTEE

Minutes of a meeting held on 13th December, 2018.

Present: Councillor G.D.D. Carroll (Chairman); Councillor V.P. Driscoll (Vice-Chairman); Councillors S.J. Griffiths, Dr. I.J. Johnson, P.G. King, N. Moore, L.O. Rowlands and E. Williams.

Also present: Councillors J.W. Thomas and L. Burnett.

596 APOLOGIES FOR ABSENCE –

These were received from Councillors R. Crowley and O. Griffiths.

597 MINUTES –

RECOMMENDED – T H A T the minutes of the meeting held on 14th November, 2018 be approved as a correct record.

598 DECLARATIONS OF INTEREST –

Councillor Dr. I.J. Johnson in respect of Agenda Item Nos. 6 and 7 although able to speak and vote advised that he was an LA appointed Governor of a school.

599 TREASURY MANAGEMENT MID-YEAR REPORT 2018 (REF) –

Cabinet had, on 19th November, 2018, referred the report to the Scrutiny Committee for consideration, the report being a mid-year report on the Authority's Treasury Management operations for the period 1st April to 30th September, 2018. The report detailed some of the external influences that had impacted on the activity of the Council, which included:

- Growth in the economy had been modest over the period and unemployment had continued at a 43 year low
- In September CPI stood 2.4% and
- In August the Bank Rate had increased to 0.75%.

With regard to the borrowing requirements of the Council, the Authority's existing borrowing strategy estimated that it would borrow £9.244m of new loans to support the Capital Programme for 2018/2019. The sum would fluctuate dependent on the delivery of the Capital Programme. Given the current and projected level of Council reserves, it was likely that the sum required would be internally borrowed during 2018/19.

No.

The Authority's investment strategy was to secure the best return on its investments. During the six month period the Council had invested monies in accordance with the Treasury Management Strategy and had earned interest in excess of £167,910.

The Treasury Management Strategy for the year established a range of indicators and the report detailed that these had all been met in the first six months to the end of September 2018.

In presenting the report, the Head of Service / Section 151 Officer, in response to a question on the impact of Brexit for the Council, advised that the Council was working with the Council's Treasury Management Advisors and looking at ways to mitigate any impact. Following a query regarding outstanding loans, the Head of Service stated that the long term loans for the Council were in the main over 20 to 30 years with none of these being interest only loans.

Having considered the report, it was subsequently

RECOMMENDED – T H A T the report be noted.

Reason for recommendation

Having regard to the contents contained therein.

600 SICKNESS ABSENCE REPORT – APRIL 2018 TO SEPTEMBER 2018 (REF) –

The Scrutiny Committee was updated on the sickness absence statistics for the six month period 1st April to 30th September, 2018, it being noted that the overall sickness absence rates i.e. working time lost per Full Time Equivalent (FTE) for the period were total days lost April 2018 to September 2018 3.71, whereas in the previous year for the same period it had been 4.45. A summary of absence levels within each Directorate was presented as below, with a breakdown of absence in each service area included within Appendix A to the report.

Directorate	April 2017 to Sep 2017	April 2018 to Sep 2018	Q2 Target
	Total days / shifts lost per FTE	Total days / shifts lost per FTE	
Environment and Housing	5.09	5.03	4.75
MD and Resources	4.26	2.73	2.94
Learning and Skills	4.18	4.37	3.79
Social Services	6.50	5.90	5.62
Totals – excluding Schools	5.16	4.68	4.49
Schools	3.69	2.71	3.65
Totals - including Schools	4.45	3.71	4.08

No.

The reasons for sickness absence across the Authority, including schools, over the period were listed below, together with a comparison for the previous period April 2017 to September 2017:

	Absence reason	April 2018 to September 2018	April 2017 to September 2017
1	Stress	30.4%	28.8%
2	Musculoskeletal Disorders	16.1%	11.9%
3	Operations and Recovery	14.8%	20.1%
4	Viral Infection	12.6%	11.1%
5	Stomach Ailments	8.6%	5.1%
6	Back Problems	5.7%	5.8%
7	Chest Problems	4.2%	2.7%
8	Heart Problems	2.5%	1.7%
9	Pregnancy Related	1.4%	1.5%
10	Headache, Migraine, etc	1.4%	5.5%
11	Undisclosed	1.1%	3.8%
12	Genito-Urinary Problems	1.1%	1.0%
13	RTA/Whiplash	0.1%	0.8%
14	Not Recorded	0.0%	0.2%

Committee was advised that in all cases of stress or anxiety, employees were automatically referred to Occupational Health for advice or offered counselling support with managers offered training and support in completing stress risk assessments. A revised Mental Health and Wellbeing Policy also incorporated detailed advice and guidance on the subject as well as detailing the managers' responsibilities, Occupational Health and staff in recognising and dealing with stress. The Policy also provided clear expectations in responding to issues of stress and associated mental health issues. The Policy was anticipated to be launched in December 2018.

Notwithstanding the above, the Council had implemented arrangements to record stress absence more specifically by adding the option to record it as Work Related or Non-Work Related. This, it was suggested, would assist with understanding the reason(s) for the absence as well as looking at ways to assist the health and welfare of employees and inform Occupational Health and the Employee Counselling service to achieve this objective. It was planned to report further on this in future reports.

The four most common absence reasons for each Directorate were reported at paragraph 22 of the report, and the top three reasons for long term absence mirrored the long term absence from the previous year, with stress remaining the main reason for long term absences, followed by operations and recovery and musculoskeletal disorders.

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The Operational Manager for Human Resources advised of the employee assistance programme that was available, namely the Care First Employee Assistance Programme, and that there was positive health promotion, for example flu vaccinations were currently being delivered and the take up had been even greater than in the previous year. Positive health events had also been planned for 2019/20 in both the Civic Offices and the Alps Depot.

Appendix C to the report showed comparisons with other Welsh Local Authorities' sickness absences, it being noted that the Welsh Local Authority average was 10.4 and the Vale was recorded as 10.1.

Included in the report it was recognised that the schools performance was considerably better than in other areas of the Authority, although it was acknowledged that schools operated in a different environment and that a lot of sickness happened during the school holiday time when teachers were actually on leave. It was also noted that short-term sickness dropped dramatically during the school year.

Following a query as to whether the employee assistance programme had been effective and whether there had been a noticeable difference since the scheme was launched, Committee was informed that it was difficult to ascertain the actual impact as it was a confidential service with any employee reporting absence through stress being referred automatically to the Occupational Health service.

In considering the report, Members agreed that it would be more beneficial to have the actual figures as opposed to the percentages and requested that this be added to future reports and that the current figures e-mailed to Members for their information.

Having considered the contents of the report, it was subsequently

RECOMMENDED –

- (1) T H A T the report be noted.
- (2) T H A T future reports detail the actual figures as opposed to percentages and that the current figures be forwarded to Members via e-mail for their information.

Reasons for recommendations

- (1) Having regard to the contents contained therein.
- (2) Members considered that providing the figures was far more effective for scrutiny purposes.

601 INITIAL REVENUE BUDGET PROPOSALS 2019/20 AND REVISED BUDGET 2018/19 (MD) –

Appendix 1 to the report set out the amended revenue budget for 2018/19 together with the necessary adjustments to be made to the original budget. The Head of Service advised that currently the Council Tax Reduction Scheme was included under the Private Housing heading. Due to changes in guidance received from the Wales Audit Office, the Council had been asked to report this scheme under the central Policy heading. A virement of £9.94m was therefore required and this change was included in Appendix 1 which showed the revised budget for 2018/19 and Appendix 5 which showed the base budget for 2019/20.

The report referred to the various departments within the Council as outlined below:

- The forecast for Learning and Skills was an overspend of £142k after an anticipated use of reserves, however, the Directorate had been requested to look at ways of mitigating this position to deliver an outturn within budget at year end;
- The forecast for Social Services was shown as a balanced budget. However, there would be considerable pressure on this service in the current year and this position may not be achieved and a drawdown from reserves may be required;
- Neighbourhood and Transport Services was currently projected to outturn on budget, however, there were some areas of concern to highlight and reserves would be utilised;
- The Directorate of the Managing Director and Resources was expected to outturn on target at year end.

As part of the Final Revenue Budget Proposals for 2018/19, a savings target of £6.298m was set for the Authority. Attached at Appendix 2 to the report was a statement detailing the projected progress against savings targets for 2018/19. It was currently projected that there would be a shortfall against the savings target of £724k. Each savings target had been given a RAG status. Green indicated that it was anticipated that the target would be achieved in full within the year, Amber indicated that it was considered that the saving in the year would be within 20% of the target and Red indicated that the saving to be achieved in year would be less than 80% of the target.

Neighbourhood and Transport Services – There was a savings target of £951k however it was currently anticipated that £636k would be achieved leaving a shortfall of £315k to be identified. Work was continuing to identify schemes to close this gap however any shortfall at year end would need to be funded from the Neighbourhood Services reserve.

Managing Director and Resources – A Corporate Services saving of £700k had been allocated for 2018/19 however £600k had currently been identified for the year. Further work was being undertaken to identify additional savings and the shortfall could reduce by year end however, any shortfall at year end could be funded from savings elsewhere in the Directorate.

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Council Wide – It was anticipated that the Commercial Opportunities savings target would have a shortfall of £178k this year. Work continued to explore new ways of generating income. Sponsorship of the summer events programme had yielded income for the first time with follow-up interest expressed in other opportunities. The changes to concessions for bulky item collections were forecast to increase income this year, in addition to the work to increase income within registration services, filming and additional website advertising. The Digital Strategy savings target was anticipated to have a £131k shortfall at year end. Work was underway to deliver digital projects focusing on customer and employee systems. Work to enhance the website and its functionality had commenced in order to shift customers to digital channels. Work was underway within the digital employee project to make efficiencies from digital recruitment and DBS management.

To ensure that the budget set for 2019/20 continued to address the priorities of Vale residents and the Council's service users, the budget setting process would take into account the results of the Public Opinion Survey. The Public Opinion Survey was undertaken every two years and captured the views of a representative sample of Vale residents. The survey represented the most accurate information that was held on what the Vale's residents thought of the work that the Council did. The views of Elected Members, Town and Community Councils and key partners would also be sought through a separate exercise.

The Council's provisional settlement had been announced by Welsh Government on 9th October, 2018. The Council was currently in the process of responding to the provisional settlement and a report was being presented to Corporate Performance and Resources Scrutiny Committee which outlined a suggested response, with a reference to Cabinet for consideration on 19th November, 2018.

Welsh Government had advised the Council that its provisional SSA (Standard Spending Assessment) for 2018/19 was £226.748m. SSA represented Welsh Government's view of the relative resources needed to provide a standard level of service in each Local Authority in Wales and its primary use is to allocate RSG to these Authorities.

The Council would receive from Welsh Government Revenue Support Grant of £110.163m and a share of the Non-Domestic Rates (NDR) of £41.76m. Together these figures constituted the Council's provisional Aggregate External Finance (AEF) of £151.923m. This represented a cash reduction of 0.7% (£1.037m) for 2019/20 after taking into account adjustments. This was a slightly smaller reduction than the 1% (£1.524m) projected in the MTFP, although it did not take into account inflation. Wales as a whole had seen a decrease of 0.3%.

There were transfers into the RSG settlement for 2019/20 totalling £479k as follows:

- Teachers Pay Grant : £354k
- Free School Meals Grant : £125k.

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As part of the 2018/19 settlement, WG had also provided an indicative figure for the change in AEF for 2019/20 as a further reduction of 1%. No indicative figure had currently been provided for 2020/21. As part of these initial proposals, it had been necessary to revisit the cost pressures facing services in order to build up a complete and up to date picture of the financial position of the Council and an updated list was shown in Appendix 3 to the report. These were not shown in any order of priority. One of the larger new cost pressures facing the Council over the next two years was the increase in Teachers Pension contributions which was due to increase from 16.48% to 23.6% from 1st September, 2019 and could cost the Council around £3.1m. No additional funding had been provided by Welsh Government for this cost pressure.

From April 2019 the National Living Wage would increase from £7.83 an hour to £8.21. The increase would have a significant effect on the services the Council commissions from external organisations. The main area affected was Social Services and a cost pressure had been included to reflect this.

Details of the proposed areas for savings for 2019/20 to 2020/21 were attached at Appendix 4 to the report. The savings did not include the cost of any potential redundancies. Further work was ongoing to identify future projects that would realise savings for the Council via the Reshaping Service Tranche 4 process.

The estimates had been submitted to all Scrutiny Committee for consultation with the request that any comments be referred to the Corporate Performance and Resources Scrutiny Committee as the lead Scrutiny Committee by no later than 13th December, 2018. The references from the four Scrutiny Committees had been e-mailed to Members as supplementary information prior to the Committee meeting and copies also tabled at the meeting for Members consideration. The recommendations of the Committees were noted as follows :

“On 4th December, 2018, Healthy Living and Social Care Scrutiny Committee

RECOMMENDED –

(1)

(2) T H A T the Corporate Performance and Resources Scrutiny Committee pass on to Cabinet the Committee’s comments regarding acknowledgement of the increase in demand for services for Adults and Children and the pressures on the service’s budgets, and a call for an easing of the cost pressures that needed to be fully considered and applied.

Reasons for recommendations

(1)

(2) In order for Cabinet to consider the Committee’s view that acknowledgement should be given to the cost pressures and demands placed

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upon Children and Adult Services and the call for these services to be fully funded.”

“On 5th December, 2018, Homes and Safe Communities Scrutiny Committee

RECOMMENDED -

(1)

(2) **T H A T** the Initial Revenue Budget Proposals for 2019/20 and the comments raised by the Committee, including those relating to cost pressures as set out in the minute above be passed to the Corporate Performance and Resources Scrutiny Committee as the lead Scrutiny Committee.

Reasons for recommendations

(1)

(2) **In order that Cabinet be informed of the recommendations of Scrutiny Committee before making a final proposal on the budget.”**

“On 6th December, 2018 Environment and Regeneration Scrutiny Committee

RECOMMENDED -

(1) **T H A T** Cabinet be advised of the Committee’s view that cost pressure V1 and the waste recycling treatment contract should be fully funded to the value of £850k per annum and for this money to be allocated from the Council’s General Fund Reserve.

(2) **T H A T** Cabinet and the Budget Working Group be advised of the Committee’s view that serious consideration is given to the level of reserves held in the Council Fund Reserve before costs are passed onto residents in the form of increased Council Tax.

(3)

(4)

Reasons for recommendations

(1) **In order for cost pressure V1 and the waste recycling treatment contract should be fully funded as the costs for this had risen.**

(2) **In order that the burden for the funding of cost pressures are not passed onto Vale of Glamorgan Council Tax rate payers.**

No.

(3)

(4)”

On 11th December, 2018 Learning and Culture Scrutiny Committee

RECOMMENDED – T H A T the Scrutiny Committee recommend to Corporate Performance and Resources Scrutiny Committee

(1) T H A T Cabinet be requested to consider carefully the impact for the service areas should it decide not to fund some of the cost pressures noted for the Directorate.

(2)

Reasons for recommendations

(1) Having regard to the impact in relation to the Council’s statutory responsibilities and the full implications of decisions made in relation to cost pressures.

(2)”

Following the presentation by the Head of Service, the Head of Service was asked a number of questions as outlined below:

- If there was any indication that the Council would get any support for the Teachers’ Pension strain from Welsh Government.
- In referring to the shortfall in savings it was noted that if the £700k had been included then the figure would be over £11m.
- Had the assessment process changed for Ysgol y Deri resulting in the increased costs.
- Out of county placements – whether the figure of £400k had been accounted for by both the Education Department and Social Services.
- Homes Loan Officer was noted as a crucial, critical post with the suggestion that the Committee recommend to Cabinet that this remain on the establishment.
- That the detail in relation to the variety of savings options noted in the report be provided to Members.
- Why had the overspend of £82k on pupils not educated in schools been taken from the Youth Service reserve?

In response, the Head of Service advised that with regard to the reserves, a summary at Directorate level could be provided and the department would aim to do this in future reports. The Council was also hoping that the funding pension strain in relation to the teaching service would be funded within the Welsh Government settlement, but clarity on that was awaited. With regard to the £700k shortfall this had already been taken out of the budget and would be added to the £10m. In

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response to the query re £400k this had also not been double counted, only one £400k was in the figures. Referring to Ysgol y Deri, the Head of Service stated that she was not aware that the assessments had changed, but she was aware that there were increasing complexities of need amongst the cohort of young people at the school. The new ALN bill would also affect the budget as the Authority would have to now support ages 0 – 25 years old. In referring to the query regarding EOTAS, the Head of Service agreed to e-mail Members with the response. The Homes Loans Officer would also be part of the considerations during the budget round. In referring to EOTAS, the Head of Service advised that the reserves for Learning and Skills were not many and as such they did not have as much flexibility but she would seek clarity in relation to this matter. The Head of Service also agreed to obtain the detail in relation to the Environment and Housing savings and e-mail to Members for their information.

Another Member queried what the rationale was for the savings targets being around half of what it was for the current year. The Head of Service stated that the Council had reviewed the Reshaping Services Programme with consideration to be given to exactly what services needed to be provided. Due to insufficient funds she advised that the Council would need to consider significant service changes.

Having considered the report and the comments and recommendations received from the Scrutiny Committees, the following was subsequently

RECOMMENDED –

- (1) T H A T Cabinet be advised of the Committee's comments regarding acknowledgement of the increase in demand for services for Adults and Children and the pressures on the service's budgets, with a call for an easing of the cost pressures that needed to be fully considered and applied.
- (2) T H A T the Initial Revenue Budget Proposals for 2019/20 and the comments raised by the Committee, including those relating to cost pressures as set out Recommendation (1) above, be forwarded to Cabinet.
- (3) T H A T Cabinet be advised of the Committee's view that cost pressure V1 and the waste recycling treatment contract should be fully funded to the value of £850k per annum and for this money to be allocated from the Council's General Fund Reserve.
- (4) T H A T Cabinet and the Budget Working Group be advised of the Committee's view that serious consideration is given to the level of reserves held in the Council Fund Reserve before costs are passed onto residents in the form of increased Council Tax.
- (5) T H A T Cabinet be requested to consider carefully the impact for the service areas should it decide not to fund some of the cost pressures noted for the Directorate.

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(6) T H A T the Council and Cabinet lobby both Westminster and the WLGA with a copy to the Minister Kirsty Williams regarding the teachers' superannuation costs, pointing out the issues and whether they would be prepared to look favourably on the Council in this regard.

(7) T H A T the Section 151 Officer and her staff be thanked for all their hard work in preparing the budget proposals.

Reasons for recommendations

(1) In order for Cabinet to consider the Committee's view that acknowledgement should be given to the cost pressures and demands placed upon Children and Adult Services and the call for these services to be fully funded.

(2) In order that Cabinet be informed of the recommendations of Scrutiny Committee before making a final proposal on the budget.

(3) In order for cost pressure V1 and the waste recycling treatment contract should be fully funded as the costs for this had risen.

(4) In order that the burden for the funding of cost pressures are not passed onto Vale of Glamorgan Council Tax rate payers.

(5) Having regard to the impact in relation to the Council's statutory responsibilities and the full implications of decisions made in relation to cost pressures.

(6) In view of budget constraints and the pressures on Local Authorities.

(7) Having regard to all the hard work in preparing the budgets.

602 INITIAL CAPITAL PROGRAMME PROPOSALS 2019/20 TO 2023/24 AND CAPITAL MONITORING 2018/19 (MD) –

Appendix 1 to the report detailed the Council's progress on the Capital Programme as at 30th September, 2018 with the Committee being informed of various schemes relating to each Directorate and their progress. These were referred to at paragraphs 4 to 42 contained within the report.

For the 2019/20 to 2023/24 Capital Programme, the Welsh Government had announced provision 2019/20 General Capital Funding on 9th October, 2018. The 2019/20 Capital Settlement was a flat lined capital settlement which for the Vale of Glamorgan Council which equated to General Capital Funding of £5.489m which was made up of £2.077m General Capital Grant and £3.412m Supported Borrowing. The General Capital Funding for 2018/19 was £5.505m therefore there was a reduction of £16k between years.

No.

There was no indication as to the level of funding likely beyond 2019/20 and therefore in line with the approach adopted in the Medium Term Financial Plan, the proposals assumed a reduction of 5% for each year of the Programme after 2019/20.

Appendix 2 to the report set out the Initial Proposals for the Capital Programme between 2019/20 and 2023/24.

The Council would seek to mitigate the projected deteriorating funding situation by looking to progress only those schemes which were deemed to be a key Corporate Priority and made a clear impact to the Wellbeing and Future Generation priorities. The Council would seek assurances that schemes included in the Capital Programme could be delivered on time and within budget.

Having invited new capital bids from departments, which had been returned by 28th September, 2018 one being received from the Learning and Skills Directorate, 11 from Environment and Housing and seven from the Managing Director and Resources directorate. Departments had been requested to rank and assess their own bids in order of importance before submission and bids from each department were forwarded to the Insight Board for evaluation. The criterion used was detailed at paragraph 52 of the report and the risk assessment element had been taken in line with the Council's Corporate Risk Management Strategy.

The value of capital bids received totalled £5.096m in 2019/20 and £19.116m over the five year period. While the evaluation process had been carried out this year for all capital bids in the normal manner, the difference between the GCF previously projected for 2019/20, when the five year programme was set for 2018/19, compared to the actual GCF for 2019/20 was an increase of £259k. Any increase in the five year programme over and above £259k would require further use of reserves or capital receipts. It was therefore proposed that at this point, due to the low level of funding available, that the £259k be not allocated to a particular scheme but held on the All Services Asset Renewal budget line. It would be allocated by the Budget Working Group as part of the final budget setting process once the final settlement figures were received and the full impact on reserves and capital receipts could be assessed. A list of all the capital bids received was shown in Appendix 3 to the report. The report also detailed the 21st Century Schools Band B Programme and the Band B schemes and profiles for the forthcoming five year period.

It was noted that the 2018/19 Housing Improvement Programme budget currently totalled £21.506m and it had been requested earlier in the report that the budget be reduced by a net figure of £6.606m, £3.1m of which was to be carried forward into 2019/20. The funding of the 2018/19 programme had therefore been amended accordingly.

All Scrutiny Committees had been requested to consider the proposals and refer any comments to this Scrutiny Committee by no later than 13th December, 2018. The reference from each of the Scrutiny Committees was received as supplementary information and had been e-mailed to all Members of the Committee during the day and copies of the same were tabled at the meeting for the Committee's

consideration. The recommendations of the Scrutiny Committees in relation to the Capital Programme proposals were noted as follows:

“Homes and Safe Communities Scrutiny Committee on 5th December, 2018

RECOMMENDED -

(1)

(2) **T H A T** the Initial Capital Budget proposals for 2019/20 be noted and that the Committee’s comments be referred to the Corporate Performance and Resources Scrutiny Committee.

Reasons for recommendations

(1)

(2) **In order that Cabinet be informed of the comments of the Scrutiny Committee prior to making a final proposal on the 2019/20 Capital Programme.”**

“Environment and Regeneration Scrutiny Committee on 6th December, 2018

RECOMMENDED -

(1) **T H A T** the Corporate Performance and Resources Scrutiny Committee pass on to Cabinet, the Committee’s recommendation that additional funding should be allocated for capital bid E1 Carriageway resurfacing/Surface treatments, with extra investment to come from the Council’s General Reserve.

(2) **T H A T** the Corporate Performance and Resources Scrutiny Committee be requested to consider a future report outlining the use of Council Capital receipts and the land/property portfolio held by the Council, with consideration of how the Council’s assets could be used.

Reasons for recommendations

(1) **In order for additional funding to be allocated for the capital bid - E1 Carriageway resurfacing/Surface treatments.**

(2) **In order that the Corporate Performance and Resources Scrutiny Committee can consider the use of the Council’s Capital Receipts and give consideration to the Council’s land/property portfolio and how Council assets could be used.”**

No.

“Learning and Culture Scrutiny Committee on 11th December, 2018

RECOMMENDED –

(1) T H A T Cabinet be requested to consider that if there was any additional funding forthcoming for asset renewals in schools, that the aspects of dignity and privacy for pupils be considered.

(2)

Reasons for decisions

(1) The Committee although recognising the significant amount of investment placed and proposed for schools in the Vale considered that following the Task and Finish Review on the provision of sanitary products in schools, that the area of dignity and privacy for pupils needed to be further addressed.

(2)

In considering the report, a Member queried whether the issues following the Grenfell Tower fire had had an impact on the Vale of Glamorgan Council, the response being that the Council reviewed all its assets following the fire and had concluded that no work was required on its properties.

In referring to the LED lighting roll out, Committee requested that a further report be brought to the Scrutiny Committee regarding revenue costs as a result of the delay.

Having regard to the Welsh Quality Housing Standards, Members queried a comment in the report at page 5 about remedial works that may need to be undertaken, Members commented that if there was now remedial works required that these should be rectified by the contractor themselves and it should not be for the Council to fund such repairs. The Section 151 Officer agreed to clarify the issue and report back to Committee. In referring to a statement in the report, at paragraph 41, that during the first six months of the financial year the demand for Disabled Facilities Grant had reduced, a Member queried whether there was actually a lack of demand and / or whether the assessments were being undertaken too slowly. The Section 151 Officer again agreed to look into the matter and report back to Members.

Having considered the report, it was subsequently

RECOMMENDED –

(1) T H A T notwithstanding the requests for further information, the recommendations of the Scrutiny Committees as outlined below be endorsed and reported to Cabinet for consideration.

No.

Homes and Safe Communities Scrutiny Committee on 5th December, 2018:

- (2) **T H A T the Initial Capital Budget proposals for 2019/20 be noted and that the Committee's comments be referred to the Corporate Performance and Resources Scrutiny Committee.**

Environment and Regeneration Scrutiny Committee on 6th December, 2018:

- (1) **T H A T the Corporate Performance and Resources Scrutiny Committee pass on to Cabinet, the Committee's recommendation that additional funding should be allocated for capital bid E1 Carriageway resurfacing/Surface treatments, with extra investment to come from the Council's General Reserve.**
- (2) **T H A T the Corporate Performance and Resources Scrutiny Committee be requested to consider a future report outlining the use of Council Capital receipts and the land/property portfolio held by the Council, with consideration of how the Council's assets could be used.**

Learning and Culture Scrutiny Committee on 11th December, 2018:

- (1) **T H A T Cabinet be requested to consider that if there was any additional funding forthcoming for asset renewals in schools, that the aspects of dignity and privacy for pupils be considered.**
- (2) T H A T the Corporate Performance and Resources Scrutiny Committee concurred wholeheartedly with the recommendation of the Homes and Safe Communities Scrutiny Committee that the position of the Homes Loan Officer should be reaffirmed on the establishment.

Reasons for recommendations

- (1) Having regard to the contents of the report and the comments of the Scrutiny Committees.
- (2) To ensure that such an important post remained on the establishment.

603 INITIAL HOUSING REVENUE ACCOUNT BUDGET PROPOSALS 2019/20 AND REVISED BUDGET 2018/19 (MD) –

Each Local Housing Authority was required under Sect 74 of the 1989 Local Government and Housing Act to keep a Housing Revenue Account. The net operational budget for 2018/19 had changed from a surplus of £21k to a surplus of £77k. A review of the current budget had found a potential net saving in the year of £2.289m. The main reason for this being that the estimated increase in the provision for bad and doubtful debts had been reduced by £910k as Universal credit would be rolled out for the vale of Glamorgan from October 2018 although the full effects

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would not be felt until 2019/20. It was noted that the balance on the Housing Revenue Account (HRA) reserve brought forward as at 1st April, 2018 was £775k and was currently lower than required. It was however prudent to maintain the HRA revenue reserves at a minimum balance.

The charges for rent and other services provided by the Housing Service were reviewed on an annual basis and these would be subject to a future report once the guidance had been received from Welsh Government regarding the setting of rents for 2019/20. Set out below was a table which summarised the original budget for 2018/19 and the proposed budget for 2019/20.

2018/19 Original Budget	Inflation / Pay Award	Committed Growth / (Savings)	Estimated Rent Increase	Increase/ (Decrease) in CERA	2019/20 Proposed Budget
£000	£000	£000	£000	£000	£000
(21)	70	(183)	(564)	677	(21)

A provision for general inflation included an allowance for pay awards in 2019/20.

The net saving of £183k was due to a number of factors:

- A decrease in Capital Financing charges of £289k in relation to unsupported borrowing to be raised in 2019/20 to fund the Housing Improvement Programme;
- An increase in staff costs for increments and staff changes of £44k;
- An increase of £79k in central recharges;
- A reduction in the Incentive to Move scheme of £34k following an amendment to the policy (as per Cabinet Minute No. C237);
- An increase in the Provision for Bad Debts of £33k;
- A decrease in Supplies and Services of £16k.

In referring to the consequences of bad debt in relation to the introduction of Universal Credit, following a query from a Member as to projections for what the bad debt was likely to be, the Head of Service advised that the likely impact was difficult to know at this stage and would not be known until later in the year.

It was subsequently

RECOMMENDED – T H A T the report be noted.

Reason for recommendation

Having regard to the contents contained therein and having an awareness of the issues in relation to Universal Credit.

604 QUARTER 2 (2018-29) PERFORMANCE REPORT: CORPORATE HEALTH (MD) –

The Head of Service for Performance and Development commenced by advising that an overall Green RAG status had been attributed to Corporate Health to reflect the good progress made towards achieving improved outcomes for residents and customers during the quarter.

The report noted that in relation to the 142 planned activities aligned to the Council's corporate health priorities for 2018/19, 93% had been attributed a Green performance status reflecting the good progress made during the quarter. However, there was a need to progress a number of actions: achieving and retaining payment Card Industry Standards (PCI) compliance (FIT/IT012); progressing reshaping projects including the in-house residential care service (AS/F027) and the review of IT support to schools (SL/IT040); reviewing and enhancing the Council's Succession Planning and Talent Management Scheme (HR/W038) and procuring and implementing a new Performance Management System to provide timely performance insight (PD/F063).

Of the 29 measures aligned to the Council's Corporate Health priorities, data was reported for 22 Performance Indicators (PIs) of which a performance status was applicable for 18 measures. 50% (9) measures were attributed a Green performance Status, 6% (1) an Amber status and 44% (8) a Red status, contributing to an Amber status overall for performance measures aligned to the Council's corporate health priorities. There was a need to improve performance in relation to employee voluntary turnover (CPM/210), spend against the approved Council Capital Programme (CPM/215), performance against savings targets (CPM/216), performance against agreed Reshaping Service targets (CPM/217), complaints dealt with within target timescales (CPM/223), and corporate complaints that proceed to the Ombudsman stage (CPM/240), satisfaction with the process of public speaking at committees (CPM/227) and speed of answer for incoming calls to the Customer Contact Centre (CPM/231).

A detailed report outlining the progress for the quarter towards achieving the corporate health priorities was provided at Appendix A to the report.

A Member commented that it had been extremely helpful to have exception reporting presented.

He drew attention to the worsening in the speed of responses from C1V and queried what was being done to improve this. The Head of Performance and Development advised that there had been staffing issues within the team due to sickness absence and staff leaving but he was confident that Quarter 3 would see performance improve. The Council's Digital Strategy was also aiming to minimise contact via the telephone, with transactions and payments increasingly being conducted online.

During further consideration of the report Members commented that they would prefer to see numbers in real terms throughout the report as opposed to percentage

No.

figures. Having particular regard to corporate complaints, the Head of Service agreed that actual numbers would be reported in future.

In referring to planned risks, Members made reference to the Legal Services Departments risks at page 18, 2.12 of the document, it being noted that the description referred to the inability to recruit and retain suitably qualified staff in key areas within Legal Services. The Principal Democratic and Scrutiny Services Officer advised of the mitigating actions being undertaken by the Legal Department, however Members commented that in their view more attention should be paid as a Council to the issue as it was an area that could have an impact on a number of other service areas within the Council in particular Children's Services. The HR Officer also advised that he would speak to the Head of Service to see what support the HR Department could offer / provide. With particular regard to page 19 and the comment "Loss of experienced staff and their knowledge base as a result of reduced staffing levels", a Member queried whether the reduction in staffing levels had exacerbated the situation. The Operational Manager for HR advised that he was not aware of reduced staffing levels but would seek clarification on the matter and e-mail Members. However, it was agreed that further clarity be sought for Members via e-mail in relation to 2.12 Service Plan Risks and page 19 "Loss of experienced staff and their knowledge base as a result of reduced staffing levels".

Having considered the report, it was subsequently

RECOMMENDED –

- (1) T H A T Quarter 2 performance monitoring report be noted.
- (2) T H A T the information as detailed above, be e-mailed to Members of the Committee.

Reasons for recommendations

- (1) Having regard to the contents contained therein.
- (2) To seek further clarification in relation to the risks.