

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
13 OCTOBER 2022

Minutes of the Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held as a hybrid meeting on Thursday, 13 October 2022

PRESENT: Councillor Richard Jones (Chairman)

Councillors: Bernie Attridge, Ron Davies, Chris Dolphin, Alasdair Ibbotson, Allan Marshall, Vicky Perfect, Kevin Rush, Jason Shallcross, Sam Swash and Linda Thomas

SUBSTITUTE: Councillor: Rob Davies (for Bill Crease)

APOLOGY: Chief Officer, Social Services (for minute 36)

CONTRIBUTORS: Councillor Ian Roberts (Leader and Cabinet Member for Education, Welsh Language, Culture and Leisure), Councillor Paul Johnson (Cabinet Member for Finance, Inclusion & Resilient Communities), Councillor Billy Mullin (Cabinet Member for Governance and Corporate Services), Chief Executive, Chief Officer (Governance), Corporate Finance Manager and Strategic Finance Manager

Minute number 36

Senior Manager (Safeguarding and Commissioning), Principal Accountant for Social Services and Paul Carter - Chief Officer for Finance (East Area) of Betsi Cadwaladr University Health Board

IN ATTENDANCE: Democratic Services Manager and team

32. DECLARATIONS OF INTEREST

None.

33. MINUTES

The minutes of the meeting held on 23 September 2022 were approved, as moved and seconded by Councillors Bernie Attridge and Kevin Rush.

On minute number 25, resolution (b), the Chairman advised that the letter to Welsh Government was due to be sent the following week.

On minute number 26, Councillor Bernie Attridge referred to his question on the unforeseen overspend for in-house residential care which was "due to staff and running costs". The Strategic Finance Manager agreed to provide a response including an update on the month 5 position.

RESOLVED:

That the minutes be approved as a correct record.

34. ACTION TRACKING

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

The recommendation was moved by Councillor Bernie Attridge and seconded by Councillor Rob Davies.

RESOLVED:

That the Committee notes the progress which has been made.

35. FORWARD WORK PROGRAMME

The Democratic Services Manager presented the current forward work programme for consideration.

Councillor Bernie Attridge sought views on the timing of the report on the Local Government Finance Act 1992, Section 13A (Sub-section 1C). As the proposer of that item at the previous meeting, Councillor Alasdair Ibbotson indicated that he was satisfied with the scheduling of March 2023 and suggested that relevant bodies such as Shelter Cymru and Citizens Advice Flintshire be given the opportunity to contribute.

The Chairman requested that two of his suggested items from the previous meeting - update on the Poverty theme and outsourcing/sharing of some Council services to identify any financial benefits - be scheduled for November or December to help inform budget considerations.

On that basis, the recommendations were moved and seconded by Councillors Bernie Attridge and Ron Davies.

RESOLVED:

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

36. JOINT FUNDED CARE PACKAGES

The Senior Manager (Safeguarding and Commissioning) presented an update on current long-term debt with Betsi Cadwaladr University Health Board (BCUHB) in respect of joint funded care packages of care and support for individuals with complex care needs.

The report referred to the statutory framework put in place by the Welsh Government which set out arrangements for Health Boards to deliver NHS Continuing Health Care (CHC) within Wales, in partnership with Local Authorities and other organisations. The Senior Manager detailed a number of key challenges such as the different support required for adults and children, and the

high volume of CHC packages delivered in Flintshire and Wrexham. Positive working relationships with colleagues in the health sector had helped to resolve some long-standing issues in the CHC process. The appointment of a CHC Planning & Development Officer within Social Services had enabled the team to improve internal processes and engagement with BCUHB.

In relation to reported debt levels as at 5 September 2022, a repayment of £46,333 had since been made by BCUHB for unpaid invoices of three years and over, with work continuing to clear the remaining historic invoices. Over the past six months, work by the team to focus on the prompt resolution of new invoices had helped to considerably reduce short-term debt levels. Since September 2022, invoices totalling £260,248 were set to be processed, mainly relating to one particular case involving a child.

The Chairman reminded the Committee of the background to the initial report being shared in December 2021. His concerns were not only about the loss of expected income but also the length of time taken to resolve disputed invoices which was a cashflow issue for the Council.

The Senior Manager explained that recent improvements put in place had resulted in a clearer understanding of processes on both sides.

Paul Carter gave assurance that BCUHB was working closely with Council colleagues to process current invoices in a timely manner and that there was regular engagement with officers at all levels to clarify the reasons for partial or non-payment of historic invoices which had not been subject to the same rigorous process. Whilst he was hopeful that around £250K of invoices due to be considered by the BCUHB panel would be approved to further reduce the historic debt, there were ongoing discussions to identify supporting information on three outstanding cases totalling £350K and over £400K of invoices relating to children in order that the BCUHB could approve those payments. In particular, information on two high-cost cases had not been found to date.

Concerns were raised by Councillor Bernie Attridge about the financial implications of the outstanding debt, given the lack of timescales and the Council's budget forecast for 2023/24. He said that procedures due to be discussed at a facilitated workshop should already be clearly understood.

Paul Carter stressed that whilst due processes were in place to approve payments, invoices could not be paid without the necessary authority and supporting paperwork. He was hopeful that matters could be resolved but was unable to set a timescale without the necessary information being provided to support those payments.

As an update on the current position, the Senior Manager reported that outstanding debt from 2016 had been reduced to £1,461 and that work was currently being undertaken to address the £12,518 worth of invoices from 2017. The current estimate of debt for 2018 was £34,890.

The Chief Executive welcomed discussion on this important issue on which the Committee should be kept updated. In thanking all those involved for

their work on the matter, he spoke about the need to prioritise high-cost cases to impact overall debt levels.

The Chairman thanked the officers for their attendance and proposed an additional recommendation which was seconded by Councillor Bernie Attridge.

RESOLVED:

- (a) That the Committee notes the progress made on the proactive budget management of outstanding invoices raised by the Council for payment by Betsi Cadwaladr University Health Board; and
- (b) That joint funded care package debt over 90 days is considered as a matter of urgency to understand how this debt can be reduced in a timely manner. The work to be carried out by the Head of Service and Cabinet Member and reported back to this Committee on a monthly basis.

37. COUNCIL PLAN 2023-28

The Chief Executive presented a report on the refreshed priorities, sub-priorities and well-being objectives within the Council Plan for 2023-28 which reflected a long-term view of recovery, projects and ambitions over the period.

The Chairman queried the impact of staff vacancies on the delivery of additional sub-priorities under the 'Green Society and Environment priority'. He also questioned the need for sub-priorities under 'Well Managed Council' which he saw as either statutory requirements, part of daily planning or business as usual, including Digital which was reflected elsewhere in the Council Plan.

The Chief Executive advised that the changes were appropriate and showed visibility on the delivery of those workstreams. Members were reminded that this was a high-level summary document with further detail to be reported in Part 2 of the Council Plan.

In response to the Chairman's comments, the Chief Officer (Governance) explained that Green Society sub-priorities incorporated new statutory duties for the Council. He also provided clarification on different digital workstreams relating to workforce, residents and schools across the priorities.

Councillor Paul Johnson said that the aim at this stage was to agree the headings for priorities and sub-priorities prior to more detail being shared. He spoke about the importance of setting out the aspirations of the Council, including day-to-day activities.

On the Housing Support and Homeless Prevention sub-priority, the Chairman queried the replacement of the word '*avoiding*' with '*ensuring*'. On Social Housing, he suggested that the words '*and social housing*' be removed from the definition to avoid repetition with the heading. On Carbon Neutrality, he queried the inclusion of reference to Covid-19 recovery.

The Chief Executive advised that the wording for Homeless Prevention had been revised to reflect service changes and Welsh Government policy. He said that the comments raised would be reviewed.

On that basis, the recommendation was moved and seconded by Councillors Bernie Attridge and Rob Davies.

RESOLVED:

That subject to the comments, the Committee supports the proposed Priorities, Sub-priorities and Well-being Objectives of the Council Plan 2023-28, as set out in Appendix 1.

38. REVENUE BUDGET MONITORING 2022/23 (MONTH 5)

The Strategic Finance Manager presented a report on the 2022/23 month 5 position for the revenue budget monitoring for the Council Fund and Housing Revenue Account (HRA), prior to consideration by Cabinet.

On the Council Fund, the projected year-end position was an operating deficit of £0.680m (excluding the impact of the pay award which would need to be met from reserves, currently estimated to be £5.268m). Following the final claim for Welsh Government (WG) Hardship Funding this month, any further Covid-19 related costs would be subject to the robust process before being met from the emergency ring-fenced fund. An overview was given of significant variances from month 4 across portfolios and their impact on the projected outturn. An update on in-year risks and emerging issues reported the current position on Council Tax income, the impact of pay awards along with continued high demand for the Benefits service and Out of County Placements which continued to be monitored closely. All planned in-year efficiencies were expected to be achieved in 2022/23. A review of earmarked reserves had resulted in £1.208m being released to the Contingency Reserve to increase the projected balance to £7.724m (excluding the impact of pay awards).

On the HRA, projected in-year expenditure of £3.308m higher than budget would leave a closing un-earmarked balance of £3.166m, which was above the recommended guidelines on spend.

In response to questions from the Chairman on the HRA, the Corporate Finance Manager advised that the in-year contribution for additional capital works related to an existing scheme in Leeswood. He agreed that a separate response would be provided on the reasons behind the loss of income due to voids shown on Appendix 5.

On the same topics, the Chief Executive said that reference to the Leeswood scheme was included in the Cabinet report in July. He gave assurance that extensive work was currently being carried out to reduce the number of voids, as reported to the Community, Housing & Assets Overview & Scrutiny Committee in September.

Councillor Bernie Attridge asked about reasons for the £0.077m variance in Resources & Regulated Services and whether this was linked to changes in

arrangements for catering/cleaning at care homes. The Strategic Finance Manager agreed to incorporate a response in the briefing paper being provided on the overspend for in-house residential care. The Corporate Finance Manager provided clarification on the overall projected Council Tax surplus and the approach to projecting income on care packages.

In response to a question from Councillor Sam Swash on the Local Development Plan, officers explained the use of earmarked reserves where spend had exceeded the project reserves.

When asked by the Chairman about a further review of earmarked reserves, the Corporate Finance Manager advised that the rigorous review already undertaken to challenge reserves across the organisation had ensured that provision was retained for future liabilities, specific elements and elements of good management practice.

In response to further queries, officers noted the incorrect portfolio heading in Table 1 and would provide a separate response for the £0.053m accounting adjustment in Central & Corporate Finance relating to IFRS 9. During discussion on the £0.190m adjustment in section 1.08, the Strategic Finance Manager would provide separate analysis on the impact of this and other costs transferred from the Covid-19 emergency ring-fenced reserves to show the up-to-date position.

The recommendation was moved and seconded by Councillors Bernie Attridge and Rob Davies.

RESOLVED:

That having considered the Revenue Budget Monitoring 2022/23 (month 5) report, the Committee confirms that there are no specific matters to be raised with Cabinet.

39. CORPORATE JOINT COMMITTEE (CJC) UPDATE REPORT

The Chief Executive presented a report on progress made to date with the Corporate Joint Committee (CJC) for North Wales, including plans to transfer the lead officer from the North Wales Economic Ambition Board (NWEAB) into the CJC on a temporary basis to progress transitional arrangements until a permanent appointment could be made.

In acknowledging the impact of the CJC upon the Council's strategic planning, the Chairman proposed an additional recommendation that the three relevant Cabinet Members provide a regular update to Overview & Scrutiny committees on their respective elements.

Concerns were raised by Councillor Bernie Attridge about the lack of involvement by local elected Members and subsequent benefits to local residents.

The Chief Executive explained that whilst transition arrangements were in the early stages of development, there was potential scope for Overview & Scrutiny involvement and local representation on workstreams at a later date. He

spoke about the CJC being fundamental to some of the Council's strategic activities and those at regional level. As such, it was important for the Council to be represented in order to influence activities for Flintshire and across the region.

Whilst welcoming collaboration in the interests of residents, Councillor Alasdair Ibbotson raised a number of concerns about the CJC model. These were primarily the alignment of decisions across the partnership, Flintshire's contribution towards the running costs and the lack of local influence and scrutiny on CJC decisions. In recognising that the CJC already existed, he proposed that Recommendation 1 be amended to replace 'support' with 'opposes' to reflect these concerns.

In seconding the amendment, Councillor Sam Swash spoke in support of Councillor Ibbotson's comments and gave examples of potential ramifications.

The Chief Officer (Governance) spoke about governance arrangements for the CJC and its limited powers comprising four areas of shared responsibility. He suggested that the amendment include the words 'in principle' to reflect the importance of Flintshire retaining its representation on the CJC.

In response to the comments raised, Councillor Ian Roberts gave examples of strategic services which spanned authorities across the region and assured Members that Flintshire would continue to have a voice on the CJC. In making comparison with GwE (the regional school improvement service), he spoke about the potential for future links with the existing Overview & Scrutiny structure.

The Chairman acknowledged the intent of the amendment and shared his concerns that CJCs would have the same powers as principal local authorities in the way they operate, including the ability to borrow and reclaim VAT. However he said it was important for the Council to be involved and for Overview & Scrutiny Committees to be kept updated on progress.

Councillor Ibbotson clarified that his amendment was not intended to influence progress on the CJC being reported to respective committees. He agreed to include the words suggested by the Chief Officer and was supported by Councillor Swash.

On that basis, the recommendations, as amended, were supported.

RESOLVED:

- (a) That the Committee notes the report and opposes in principle the creation of the regional CJC;
- (b) That the Committee notes the proposals for seconding the EAB Portfolio Director from the North Wales Economic Ambition Board into the CJC up to March 2023; and
- (c) That Cabinet Members representing the CJC structure provide regular updates to the relevant Overview & Scrutiny Committees, including Corporate Resources.

40. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 12.20pm)

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Chairman