

CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE
13 JANUARY 2022

Minutes of the meeting of Corporate Resources Overview & Scrutiny Committee of Flintshire County Council held remotely on Thursday, 13 January 2022

PRESENT: Councillor Clive Carver (Chairman)

Councillors: Haydn Bateman, Sean Bibby, Geoff Collett, Mared Eastwood, Patrick Heesom, Richard Jones, Richard Lloyd, Kevin Rush, Paul Shotton, Andy Williams and Arnold Woolley

APOLOGY: Councillor Billy Mullin - Deputy Leader (Governance) and Cabinet Member for Corporate Management and Assets

CONTRIBUTORS: Councillor Ian Roberts - Leader and Cabinet Member for Education, Councillor Paul Johnson - Cabinet Member for Finance, Social Value & Procurement, Chief Executive, Chief Officer (Governance), Corporate Finance Manager, Strategic Finance Managers, Corporate Manager (People and Organisational Development) and Strategic Performance Advisor

For minute number 70

Helen Kilgannon, Regional Manager for the Regional Emergency Planning Service

IN ATTENDANCE: Overview & Scrutiny Facilitator, Democratic Services Officer and Team Leader (Committees)

66. DECLARATIONS OF INTEREST

None.

67. MINUTES

The minutes of the meeting held on 9 December 2021 were approved, as moved and seconded by Councillors Paul Shotton and Haydn Bateman.

RESOLVED:

That the minutes be approved as a correct record.

68. ACTION TRACKING

The Overview & Scrutiny Facilitator presented the update on progress with actions arising from previous meetings. As requested, she would circulate to all Members a copy of the letter which had been sent to the Health Board.

RESOLVED:

That the Committee notes the progress which has been made.

69. FORWARD WORK PROGRAMME

In presenting the updated forward work programme for consideration, the Overview & Scrutiny Facilitator advised that the March meeting was likely to go ahead.

The recommendations were moved and seconded by Councillors Paul Shotton and Arnold Woolley.

RESOLVED:

- (a) That the Forward Work Programme be noted; and
- (b) That the Overview & Scrutiny Facilitators, in consultation with the Committee Chairman, be authorised to vary the Forward Work Programme between meetings, as the need arises.

70. NORTH WALES COUNCILS - REGIONAL EMERGENCY PLANNING SERVICE (NWC-REPS) - ANNUAL REPORT 2020/21

The Chief Executive introduced the Regional Emergency Planning Service annual report for 2020/21 which set out activities undertaken locally and regionally to meet legislative duties.

The Chief Executive and Regional Manager provided an overview of the main areas of work during the period which focussed on the multi-agency response to the Covid-19 pandemic. An update was also shared on local activities, including the effectiveness of the Emergency Management Response Team and review of Business Continuity Plans to support the continuation of critical services during the pandemic.

In response to a question from Councillor Haydn Bateman, the Regional Manager provided clarification on safety arrangements and responsibilities in respect of the local chemical manufacturer, Synthite.

Councillor Richard Jones referred to a site visit to a Police control room some years ago and asked about the potential for a future visit. The Chief Executive said that whilst this was not possible during the pandemic, a site visit could take place at a future stage when it was safe to do so and with a clear purpose. He asked that the Regional Manager note the request so that it could be considered at an appropriate time.

The recommendations in the report were moved and seconded by Councillors Paul Shotton and Arnold Woolley.

RESOLVED:

- (a) That the Committee is assured by the update; and
- (b) That the Committee receives future reports on the preparedness of the Council to plan for emergencies and specific follow-up reports to any

major local or regional emergency events to which the Council has had to respond.

71. MEDIUM TERM FINANCIAL STRATEGY AND BUDGET 2022/23

The Corporate Finance Manager introduced a report to update the Committee on the key headlines and financial impacts of the Welsh Local Government Provisional Settlement announced in December, in advance of the Council's formal budget setting process in February.

The provisional aggregate external finance (AEF) for 2022/23 was a 9.2% increase on the adjusted AEF for 2021/22 - slightly below the all Wales average increase of 9.4%. This represented a cash uplift of £25.396m from 2021/22 but did not take account of the North Wales Regional Waste Treatment Project gate fees and Social Care Workforce Grant, both of which were previously received via specific grants. In addition, there was an expectation to meet in full the impacts of all pay awards and the Real Living Wage as well as ongoing risks such as Out of County Placements and continued extra costs and lost income arising from the pandemic following the cessation of the Welsh Government (WG) Hardship Fund at the end of this financial year.

These additional pressures would significantly increase the overall additional budget requirement previously reported, which had been based on the minimum level and below in-year demand levels. Once work was complete on reviewing all additional cost pressures, a legal and balanced budget for 2022/23 would need to be recommended by Cabinet to Council in February. Building resilience into reserves would be a key consideration of budget setting for 2022/23 and for the Medium Term Finance Strategy, particularly given the challenging indicative allocations for the next two years.

In thanking officers for the report, Councillor Paul Shotton welcomed the increased Settlement but recognised that indicative future allocations, rising living costs and Flintshire's funding position in Wales reinforced the importance of continued discussions with the Welsh Local Government Association (WLGA) to make the case for fairer funding.

In response, the Chief Executive said that Flintshire's allocation below the Welsh average and its ranking as 20th out of 22 Councils in Wales on funding per capita was an ongoing concern. On the removal of the additional funding floor, which aimed to protect Councils falling well below the Welsh average, the Corporate Finance Manager said that the decision by WG had possibly been influenced by the Settlement.

Councillor Ian Roberts also welcomed the increase in the Settlement but said that the Council's current budget projections would need to take account of a number of significant pressures that had not yet been concluded. He referred to the wider impact of outcomes on teachers' pay awards and the Real Living Wage and reiterated the need for national pay agreements to be fully funded.

When asked by Councillor Sean Bibby about comparison of allocations given to neighbouring authorities, officers explained that the report was based on

the average across North Wales which was similar to the national average and that the inequality of funding in Wales was being raised at Ministerial level.

Councillor Paul Johnson spoke about the wider impacts of inflation and the need for careful consideration of the 2022/23 budget in the context of future years.

The Chief Executive spoke about the need for the Council to strengthen financial resilience particularly given the influence of inflationary pressures as an ongoing risk.

Councillor Richard Jones said that whilst the indicative settlements for the next two years were welcomed, they were lower than expected. In response to questions, the Corporate Finance Manager said that detailed work was being undertaken to review key cost pressures and changes to grants so that an updated position could be reported in February.

The Corporate Manager, People and Organisational Development provided clarification on the current financial impact of implementing the Real Living Wage on which the outcome for 2022/23 was awaited. She also said that challenges in recruitment and retention across all sectors - which had been widely acknowledged - would form part of the People Strategy later on the agenda.

Councillor Jones proposed that the Committee acknowledge the indicative allocations but express disappointment for WG not considering a supplementary allocation towards national pay awards and the Real Living Wage. He was seconded by Councillor Mared Eastwood.

RESOLVED:

That having considered the Medium Term Financial Strategy and Budget 2022/23 report, the Committee wishes to feedback to Cabinet its acknowledgement of the indicative allocations and disappointment for Welsh Government not considering a supplementary allocation towards national pay awards and the Real Living Wage.

72. COUNCIL PLAN 2022/23

The Chief Executive introduced the report to review the draft Council Plan for 2022/23 comprising the 'super structure' of six themes aligned to Well-being Objectives. The supporting priorities and actions remained the same as 2021/22, with some developments to sub-priorities on Poverty, Green Society & Environment, Economy and Education & Skills. The Plan would be reviewed by all Overview & Scrutiny Committees prior to sharing with Cabinet in advance of approval by Council in July.

The Strategic Performance Advisor said that the timetable allowed opportunities for contributions by newly elected Members.

Whilst acknowledging the improved format of the Plan, Councillor Richard Jones noted that many of the milestones were towards the end of the year and

suggested a mechanism for measuring progress to ensure they were still relevant. He gave examples of a number of initiatives missing since last year and said that explanations should have been included.

In response, the Strategic Performance Advisor explained that many actions over the longer term were to be achieved by March 2023 and that progress would be reflected in quarterly performance reports. He said that some issues included in the Plan for last year had been removed as they were now part of normal business or had been completed. Explanation on such movements had been reported at the mid-year monitoring stage in December and would also be clarified in the end of year report to be approved in July.

Councillor Ian Roberts referred to the Poverty theme and provided clarification on proposed national changes to free school meals. He spoke in support of the Plan for 2022/23 which could be adapted to meet the priorities of the new administration following the Elections.

In welcoming the Plan, Councillor Paul Shotton praised the range of opportunities across the County.

Following comments by the Chairman, the Chief Executive provided further detail on the strategy to convert the Council's transport fleet to electric and alternative fuels such as hydrogen, whilst Councillor Ian Roberts spoke on the development of the County's electric car charging network.

Councillor Richard Lloyd welcomed the range of actions under the Affordable and Accessible Housing priority. In response to a query, the Chief Executive provided information on engaging with landlords to help bring properties back into use and would confirm with the Home Improvements team that the scheme was being actively promoted.

Following advice by the Chief Officer (Governance), Councillor Shotton - who had moved the recommendation - agreed an amendment by Councillor Richard Jones to insert the word 'Draft' before the Council Plan.

RESOLVED:

That feedback be noted on the refreshed content of the themes for the Draft Council Plan 2022-23 prior to sharing with Cabinet in June 2022.

73. PEOPLE AND ORGANISATIONAL DEVELOPMENT STRATEGY 2022-2025

The Corporate Manager, People and Organisational Development, presented a report on the strategic priorities for a new People and Organisational Development Strategy for 2022-25.

Whilst the response to the pandemic had interrupted the review of the current People Strategy, there were a number of positive outcomes from changes in working practices that could be developed further. The new Strategy would set out increased ambitions for the workforce and organisation, reflecting on events over the past 18 months and building on areas of good practice. The report set out the key external factors and likely outcomes to be delivered under each

theme which would remain flexible to adapt to any changes and respond to risks such as recruitment and retention.

Councillor Arnold Woolley commended the report but was concerned at the lack of information on annual appraisals. In response, the Corporate Manager gave assurance that this was covered by the introduction of a new values-based performance review programme.

The Chief Executive highlighted the importance of the Strategy in ensuring that employees at all levels clearly understood their roles and contributions within the organisation and that framing ambitions as an employer of choice would help to create a positive workforce culture.

The recommendation was moved and seconded by Councillors Arnold Woolley and Mared Eastwood.

RESOLVED:

That the Committee supports the strategic priorities as a basis for developing the next iteration of the People and Organisational Development Strategy 2022-2025 prior to it being issued out to employees and Trade Unions for consultation and feedback, prior to being submitted to Cabinet.

74. REVENUE BUDGET MONITORING 2021/22 (MONTH 8)

The Strategic Finance Manager presented a report on the revenue budget monitoring position for the Council Fund and Housing Revenue Account (HRA) at month 8, prior to consideration by Cabinet.

On the Council Fund, the projected year-end position - without new actions to reduce cost pressures and improve the yield on efficiencies - was an operating surplus of £0.716m (excluding the impact of the pay award to be met from reserves) which reflected a favourable movement of £0.061m from month 7. This would leave a year-end contingency reserve balance of £6.586m. The significant movements from month 7 were as set out in the report. An update was given on various risks including outcomes awaited on the NJC (Green Book) pay awards to be met from the Contingency Reserve, the continuation of Social Care grant funding into 2022/23 and increased demand for Out of County Placements. An update was also given on eligibility changes to the Local Government Hardship Fund affecting claims until the end of the financial year when it was due to end.

On the HRA, a projected overspend of £0.548m would leave a closing un-earmarked balance of £3.924m, which was well above the recommended guidelines on spend.

In response to a question by Councillor Richard Jones, clarification was given on the transfer of centralised property costs across all portfolios into the Central & Corporate Finance budget.

In thanking officers, Councillor Paul Johnson said that the level of detail within the report demonstrated good financial management.

The recommendation was moved and seconded by Councillors Paul Shotton and Richard Lloyd.

RESOLVED:

That having considered the Revenue Budget Monitoring 2021/22 (Month 8) report, the Committee confirms that there are no specific matters to be raised with Cabinet.

75. MEMBERS OF THE PRESS IN ATTENDANCE

None.

(The meeting started at 10am and ended at 11.45am)

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Chairman