

Draft Minutes



Overview and Scrutiny Management Committee

Date: 4th February 2022

Time: 10am

Venue: Microsoft Teams Meeting

Present: Councillors L Lacey (Chair), P Hourahine, M Al-Nuaimi, Y Forsey, C Ferris, M Evans and F Hussain, Rhys Cornwall (Strategic Director for Transformation and Corporate), Meirion Rushworth (Head of Finance), Robert Green (Assistant Head of Finance), Amie Pask – Garwood (Service Manager Accountancy), Connor Hall (Scrutiny Advisor), Anne Jenkins (Governance Team Leader), Samantha Schanzer (Governance Officer)

Apologies: None.

1. Apologies for Absence

None

2. Declarations of Interest

None.

3. Minutes of the Previous Meeting: held 21st January 2022

A committee member requested further clarification on page 3 of the minutes regarding members attendance.

A committee member asked for an update on the Economic Development Strategy mentioned on page 8.

The minutes of the previous meeting held 21st January 2022 were **accepted as a true and accurate record**.

4. 2022-23 Budget and Medium Term Financial Projections

Invitees:

Rhys Cornwall – Strategic Director for Transformation and Corporate
Meirion Rushworth – Head of Finance

The Head of Finance introduced the report.

The Head of Finance informed committee that the detailed proposals were renewed in the two service-based Scrutiny Committees.

The Head of Finance noted that there had been a different process this year as there were no budget savings.

The Head of Finance informed committee that the key assumption had been Welsh Government funding. The Head of Finance highlighted the optimistic view taken within the proposal based upon the previous years' budget settlements. The Head of Finance noted that they had remained careful despite this optimism and wanted to be realistic in their optimism and have alternative plans if the settlement was lower than expected.

The Head of Finance highlighted that the budget draft settlement had been received from Welsh Government later than usual. The Head of Finance noted that it had been a large settlement across the sector that had been above optimistic assumptions.

The Head of Finance highlighted that Welsh Government had signalled that the settlement needed to cover the increase in social care workers' pay to the national living wage, and there being no Hardship Fund going forward.

The Head of Finance informed committee that Welsh Government had been able to provide a medium-term settlement.

The Head of Finance informed committee that consultation is ongoing.

The Strategic Director for Transformation and Corporate reiterated that they were in a different situation than previous years due to the increased allocation and good settlement. The Strategic Director informed committee that consultation had taken a different form as a result as there were no specific savings, and instead the focus had been put on the proposed increase to council tax, investment proposals and fees and charges.

The Strategic Director informed committee that they had also undertaken engagement activities throughout the year with the public regarding their prioritisation of services. The Strategic Director noted that they had received almost 1000 responses prior to the budget settlement that indicated a general prioritisation of schools, children's and adult services, city services, and homeless support.

The Strategic Director noted that the current consultation was being undertaken primarily online.

The Strategic Director raised comments made by committee in the previous year:

- The Strategic Director highlighted that social media usage had been raised previously and now was being used regularly to feature the consultations. The Strategic Director noted that pop up advertisements were not being used as they had a negative response.

- The Strategic Director noted that the comment regarding engagement with schools in the previous year and that all consultation messages have been sent to all Newport schools.
- The Strategic Director informed committee that the Connected Communities teams were working with “hard to reach” communities to ensure their visibility and engagement as requested by committee in the previous year.

Councillor Forsey raised the following points reporting back from her attendance in other scrutiny meetings:

- The Place and Corporate committee felt relieved at their being no cuts and therefore not having to choose between cuts no one wanted to enact. The committee welcomed the investment in schools but were concerned with inflation. The committee welcomed the increase in provision for the rough sleepers budget. The Finance Officer present explained how the Council had been affected by lack of fees for room hire and leisure services, and that the council had been able to claim for these through the Hardship Fund, which has supported offsetting some financial aspects of the pandemic
- The People committee welcomed the budget and also were relieved that no cuts were necessary. The committee welcomed the investment in schools and the provision of free school meals for all children throughout the year. The committee also welcomed the increase in pay for social care workers, as well as work done to bring children in care back into the local area. The committee discussed the pressure on school places in some areas, and felt that there was a lack of clarification on the size of new schools being built on housing estates being determined and that there were discrepancies between predictions for places and actual applicants.

Questions:

A committee member felt hopefully about the budget proposals and welcomed the investments and growth. The committee member asked whether schools and social care establishments had been consulted.

- The Strategic Director informed committee that the Schools Forum had been consulted on the overall budget. The Strategic Director felt that schools would be pleased. The Strategic Director noted that there were ongoing negotiations with care providers.
- The Head of Finance informed committee that they were engaging and receiving feedback from primary and secondary schools’ Headteacher’s bodies. The Head of Finance acknowledged that the efforts of the individual schools and that the Welsh Government funding had helped. The Head of Finance noted that the free school meals were not in this budget as there was direct funding from the Welsh Government for this.

A committee member felt that without having seen the consultation data, they were unable to be constructive with recommendations or comments.

- The Strategic Director agreed that this was a valid point and felt in future there may be need to review the timings of meetings and process.
- The Head of Finance felt that expanding the conversation to include budget planning might be helpful. The Head of Finance noted the quick turnaround period and the limitations it created.

A committee member noted that they were pleased to see schools advertising the budget consultation and asked whether there was any indication of responses yet.

- The Service Manager Accountancy informed committee that there had been 556 through bus Wi-Fi and 72 other responses.

A committee member highlighted that there had been an increase in the grant from Welsh Government for the increase in properties in the city and asked what order of assumption had been made for this?

- The Head of Finance informed committee a large settlement had been received for the current financial year due to a correction to the data that drives the distribution of total funds. The Head of Finance informed committee that Newport gets bigger percentage share every year mainly due to population growth and the young population growing at greater rate than most other council areas in Wales. The Head of Finance noted that is normally taken account of in budget planning and was always a judgement call as it is the size of the total funds that matter, and that they try to be prudent but reasonably optimistic.

5. Conclusion of Committee Reports

The committee noted the comments regarding receiving consultation data sooner to enable them to be more constructive in their recommendations and comments.

A committee member asked whether the increase to council tax had been discussed at the previously mentioned Scrutiny meetings.

- Councillor Forsey confirmed it had been addressed in the Place and Corporate committee meeting.
- The Scrutiny Advisor confirmed that it had been mentioned in the report at hand, and while hadn't been brought up during the presentation, questions could be passed to the relevant Officers.

6. Scrutiny Advisor Reports

The Scrutiny Advisor informed committee that the recommendation to clarify questions within the Welsh Language Strategy questionnaire had been completed and that the full strategy would be published in both English and Welsh.

The Scrutiny Advisor informed committee that the Economic Development Strategy would receive an update in the 28th February 2022 meeting for Place and Corporate.

- A committee member asked why the strategy had been taken from this committee and given to the Place and Corporate committee.
- The Scrutiny Advisor assured committee that he would ask for clarification.

7. Date of the Next Meeting

29th April 2022