

Councillor Chris Holley
Convener
Service Improvement and Finance Scrutiny
Performance Panel

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Our Ref:
Your Ref:
Date: 20 January 2020

Dear Councillor Holley

**SERVICE IMPROVEMENT AND FINANCE SCRUTINY PERFORMANCE PANEL
9 DECEMBER 2019**

Thank you for your letter dated 2 January 2020 setting out the additional questions from the above Scrutiny Panel.

I set out below the responses to your questions:

1. Can you detail budget reductions relating to each Council Department and timescales for achieving them? Can you particularly outline your

Budget savings are set out in full each year in the budget setting report to council. Proposals for 2020-21 will be finalised in due course. In relation to 2019-20 the savings agreed were

Cross cutting	£ 3.6m
Education (exc schools)	£ 1.4m
Place	£ 3.6m
Resources	£ 0.6m
Social Services	£ 3.6m
Total	£12.8m

These were all due to be delivered by 31 March 2020.

a. Confidence in Social Services meeting its in year overspend, particularly in relation to care fees, by the end of the financial year.

I am assured by the actions the Director of Social Services are taking that they will bar unforeseen circumstances managed to achieve a balanced service budget by year end.

I make that caveat as you are aware, services are demand led but with only one quarter to go I think the balance is in favour of social services living within budget for the year. A remarkable feat given the pressures all council social services departments are under across Wales.

b. Confidence in Education meeting its in year overspend by the financial year-end.

Education savings are more problematic in year. In prioritising the substantially larger schools budgets the non-delegated budgets are under pressure and the scale of overspending and nature of the overspending means direct action by the directorate is unlikely to remedy the position alone.

Again much of the spend is demand led around special and additional learning needs provision and there has been spend pressure in transportation costs. Actions are being taken proportionately by the Director.

There remains the possibility of further one off late grants from the Welsh Government which may assist the situation indirectly and the S151 Officer will review the business case for releasing some sums from the centrally held inflation provision to ameliorate some of the excess transport costs being incurred.

2. Have we reached the position where we cannot put more funding in the capital reserve fund?

No, as the S151 Officer has repeatedly made clear there are current savings being achieved as a result of changes to capital financing (both the MRP review and early borrowing at locked in permanently low interest rates for long time periods) but also known future increased costs of capital financing given our ambitious, but affordable, capital programme.

The S 151 Officer is of the view it is most prudent to “bank” capital financing savings to finance future capital financing costs and I wholeheartedly concur. Furthermore the savings in relation to MRP savings are well known to be temporary in nature and it would be wholly imprudent to be spending those sort term savings on permanent ongoing revenue costs.

3. You refer in your report to the Director of Resources stopping or reducing service through new ways of working. Can you tell us what this has or might include?

At the current time, there is no plan to stop any service or reduce any offer. The new ways for working would see more digital transformation and channel shift to online applications.

The removal of systems and processes which do not add value or add cost without benefit, such as customer services or service centre, in how we process requests.

The move away from Paper to digital solutions and reduction in printing costs is another area of implementation within the new ways of working.

This is more around effective and efficient use of resources.

4. Can you tell us why the previously identified model of merging marketing and communications from across the council into one team, has not progressed?

The initial review identified that savings could be made and efficiencies achieved in merging the two areas, however through collaborative working and moving to a digital approach this has helped the two areas be more focused in what they deliver.

The communications focusses mainly on corporate communications and the marketing is more focused around the Place directorate and commercial operations.

This is no longer the benefit at the current time to merge the two areas.

5. You refer to an increase in staff referrals to occupational health. Can you tell us the reasons why there has been such an increase?

There are several reasons why there have been increases in referral to both Occupational health and stress management & counselling.

Bereavement including that of staff, debt, increases in sickness absence, family breakdown or ill health within the family and increases in suicidal ideation.

In addition to these we have seen an increase in chronic health conditions and in mental health which is mirrored nationally.

Once again thank you for your letter and questions.

Yours sincerely



**Y CYNGHORYDD/COUNCILLOR ROB STEWART
ARWEINYDD/LEADER**