



RHONDDA CYNON TAF COUNCIL FINANCE AND PERFORMANCE SCRUTINY COMMITTEE

Minutes of the meeting of the Finance and Performance Scrutiny Committee held on Monday, 16 December 2019 at 5.00 pm at the Council Chambers, The Pavilions, Cambrian Park. Clydach Vale, Tonypany, CF40 2XX.

County Borough Councillors - Finance and Performance Scrutiny Committee Members in attendance:-

Councillor G Thomas Councillor S Bradwick
Councillor R Yeo Councillor J Williams
Councillor J Cullwick Councillor G Caple

Officers in attendance:-

Mr P Griffiths, Service Director – Finance & Improvement Services
Mr A Wilkins, Director of Legal Services
Mr S Gale, Director of Prosperity & Development
Mr T Jones, Service Director – ICT & Digital Services

County Borough Councillors in attendance:-

Councillor M Adams, Chair of the Overview and Scrutiny Committee
Councillor R Bevan, Cabinet Member for Enterprise Development & Housing

Others:-

Mr J. Fish, Voting Elected Parent/ Governor Representative

30 Welcome

The Vice Chair welcomed Members to the meeting of the Finance and Performance Scrutiny Committee and thanked everyone for attending.

31 Declaration of Interest

In accordance with the Council's Code of Conduct, there were no declarations made pertaining to the agenda.

32 Apologies

Apologies of absence were received from County Borough Councillors M. Powell, M. Diamond, A. Davies-Jones, G. Holmes, W. Lewis, S. Rees-Owen, A. Fox and T. Williams.

33 Minutes

It was **RESOLVED** to approve the minutes of the 4th of November 2019 as an accurate reflection of the meeting, subject to the following amendments:-

- Item 24, page 7 to be amended as follows; "Councillor Thomas commented that the greater proportion of areas in the Cynon Valley are

not being charged CIL”.

34 Consultation Links

The Vice Chair referenced the consultation links, which were available through the ‘RCT Scrutiny’ website. The Vice Chair reminded Members that Information is provided in respect of relevant consultations for consideration by the Committee, which are circulated on a monthly basis by the Graduate Scrutiny Research Officer.

35 Cabinet & Scrutiny Engagement

The Director of Prosperity and Development, in conjunction with Councillor R. Bevan (Cabinet Member for Enterprise Development & Housing), provided an overview of the portfolio responsibilities of the Cabinet Member to include Town Centres, Planning and Housing.

The Cabinet Member reminded Members that the focus has been to develop and promote the County Borough in order to encourage economic growth. The Cabinet Member emphasised that the department is evolving in respect of tourism and stressed the importance of advancing the opportunities coming forward.

Discussions ensued and Councillor Bradwick referred Members to page 19 of the report and praised the redevelopment work of the former Boot and Black Lion Hotels. However, the Member also noted that more engagement should be undertaken with local members in respect of local letting policies. The Cabinet Member confirmed that there will indeed be a local letting policy and that the Council are in the process of looking at the impact on the community as a whole. In respect of the Boot Hotel, Councillor Bradwick noted his disappointment in the current lack of a retail occupier in the downstairs area of the building and commented that further effort is required to bring the historic building back into full use.

Councillor Cullwick referred the Committee to page 20 of the report, paragraph 6,4.3, and praised the Porth Town Centre Regeneration Strategy. The Member queried whether the Strategy would force owners of derelict buildings to bring the buildings back into use. The Member felt that the regeneration of derelict buildings would help to make Porth more attractive to visitors. The Director of Prosperity and Development agreed and informed Members that there are a range of initiatives that the Council can offer to owners of derelict buildings, such as grants, acquiring the building or the use of a compulsory purchase order. The Cabinet Member emphasised that the Council is extremely focused on town centre regeneration and noted that generally, the loss of town centre banking has led to a drop in footfall. The Cabinet Member advised Members that further initiatives include the possibility of community banking or the possibility of several different banks operating out of one facility.

Discussions continued in respect of the regeneration of town centres and Councillor Cullwick queried whether there were any plans to increase the footfall in Tonypany. The Member felt that despite recent initiatives to develop the town centre, the footfall has continued to decline. The Cabinet Member advised Members that key development proposals are in place and will be brought forward, however, the Cabinet Member emphasised that due to its confidential and sensitive nature, further details could not be disclosed at this point.

Councillor Yeo referred the Committee to page 22 of the report and queried when the formal revision of the LDP will be adopted. The Director of Prosperity and Development informed Members that the formal revision process of the LDP is due to finish in early 2023 and that in the meantime, the Service will continue to collate further evidence in respect of the Review Report and Draft Delivery Agreement.. The Director suggested supplementary planning guidance as a way of dealing with over saturation of certain types of development in RCT's town centres.

Discussions continued in respect of Pontypridd Town Centre and Members queried how the Council could ensure that the residents benefit from the recent investments in this area. Members also raised concerns in respect of the potential impact on traffic from the Trefforest DWP development. In respect of Pontypridd Town Centre, the Director of Prosperity and Development advised Members that the Service continues to work closely with local providers and that the regeneration team has been focusing its work on expanding the local economy. The Director emphasised that there has been an influx in private sector companies who want to invest in Pontypridd. In respect of Trefforest and the potential influx of traffic, the Cabinet Member informed Members that the Leader is working closely with Transport for Wales. Members were advised that proposals will be brought forward in respect of Metro and that improved transport links will help to bring Pontypridd and Trefforest together. The Cabinet Member also emphasised the Council's desire to make town centres in RCT fit to invest in and to create a stable economy.

A number of Members praised the Council's focus on the regeneration of RCT's town centres. A number of Members agreed that whilst investment from commercial companies such as McDonald's and Starbucks are welcome, the danger is that large commercial companies often do not re-invest profits into the local economy. Councillor Cullwick referenced 'The Imperial Hotel' in Tonypany as an example of a derelict building and commented that the Council's focus needs to be on the visual appearance of town centres. Councillor Bradwick queried why the downstairs of the Boot Hotel was still open to let. The Director of Prosperity and Development advised Members that a potential tenancy at the Boot Hotel fell through and that a meeting is scheduled to take place with the developers to discuss the tenancy arrangements. The Director confirmed that he would feedback to the Local Member accordingly.

The Vice Chair referenced sites that have been approved and started in Rhigos but subsequently abandoned. The Vice Chair queried whether this was a problem throughout RCT. In respect of the two developments in Rhigos, the Director of Prosperity and Development confirmed that he would obtain further information and update Members accordingly. The Vice Chair also queried the Council's plans in respect of building on the manufacturing industry and queried whether the Cynon gateway takes account of the Hirwaun Industrial Estate. The Cabinet Member informed Committee that the Council has opportunities for development and around Climate Change in particular. The Cabinet Member stressed that as part of the Council's LDP review, the Council would like to see development orders to bring forward other parts of the Hirwaun estate for development. The Cabinet Member emphasised that improvements to the A465 would also improve access to the Hirwaun Industrial Estate.

Discussions ensued and Councillor Yeo raised the importance of developing infrastructure in relation to the number of houses being built in and around the

M4 and A4119. The Cabinet Member agreed and stressed the importance of the Cardiff Capital Region Strategic Development Plan. In respect of infrastructure and supporting economic growth. The Cabinet Member emphasised the importance of creating employment opportunities in the South Wales Valleys and the Council's focus on creating a sustainable highway structure network.

Following discussion, Members **RESOLVED** to note the content of the update on the progress made in advancing the portfolio responsibilities of the Cabinet Member.

36 Digital Strategy

With the aid of a Power Point Presentation, the Service Director - ICT & Digital Services, provided Members with an overview of the Council's Digital Strategy 2017-20, the progress of its associated work programme and consideration of its future direction.

The Service Director reminded Members of the requirement to bring forward a new Digital Strategy for 2020-24, aligned with the new Corporate Plan. Members were advised that it is an opportunity for the Finance and Performance Scrutiny Committee to assess and review the progress made against the current strategy and to provide feedback on any areas of priority or refocus, which can be considered as part of the development of a new strategy.

The Service Director informed Members that the Committee would have opportunity to pre-scrutinise the Draft Digital Strategy and the Committee's feedback would be considered to be included in the Draft Strategy, which would be presented at a future committee.

Following the update, the Service Director sought feedback from the Committee and the views of Members are noted below.

Councillor Bradwick sought clarification on a number of issues, which are listed below in numerical order:-

1. He began by seeking clarification on the number of staff participating within agile working to date;
2. Councillor Bradwick praised the roll out of the Mod Gov App, however, he queried whether members from outside bodies, such as the Fire Service, could also have use of the application;
3. In respect of Apps, Councillor Bradwick queried whether an app could be produced for Members use only;
4. In respect of the Customer Relationship Management System (CRM), it was noted that some departments are slower than others when responding to customer complaints;
5. In respect of mileage claims, Councillor Bradwick sought clarification as to why this cannot be done online; and,
6. In respect of waste collections of bulky items, Councillor Bradwick questioned why residents cannot make changes to waste collection requests online.

The Service Director informed Members that approximately 1300 staff had been engaged as part of the Council's agile working initiative; and that this number is likely to increase. In respect of outside bodies using the Mod Gov App, the

Service Director advised that the ability to use software or an App was detailed as part of a contractual relationship between parties and it would be typical for an outside body to create a direct contractual link between themselves and with Mod Gov, however collaborative opportunities could be explored should they arise.

In respect of a Members App, the Service Director confirmed that this is something that could be considered as part of services to its Elected Members. With regard to the CRM, the Service Director confirmed that the procurement of a modernised CRM had been completed but in relation to the point of timely responses and that of bulky waste collections, he would raise these points with the Head of Customer Care. In respect of online mileage claims, the Service Director informed Members that the Council is in the process of procuring a new HR system, which would allow for this functionality.

With regard to outside bodies being on Mod Gov, Councillor G. Thomas commented that the National Parks used the application and referenced Bridgend County Borough Council and its work on the Cardiff Capital Region City Deal. The Service Director – ICT & Digital Services advised that Mod Gov was a widely adopted business application across Wales but emphasised the need for the contractual relationship to legally use the Mod Gov licence.

Discussions ensued and Councillor Cullwick raised concerns in respect of the increased use of online self-service and its effect on the older generation. The Service Director acknowledged the need to continue to provide traditional access channels alongside digital, where appropriate and noted the importance of including this as part of RCT's Draft Digital Strategy.

Councillor G. Thomas raised a further concern in respect of remote areas where fast broadband access was limited. The Service Director confirmed that the Council worked with bodies such as Welsh Government and with private sector companies to assist the increased implementation of broadband, however it was noted that prioritisation was typically led by the private sector to areas which they see as being more advantageous to them.

The Voting Elected Parent/Governor Representative raised his concerns in respect of the disparity between infrastructures in schools across the County Borough and also queried the approach the Council was taking in respect of producing efficiency savings as part of Digital. A further query was also raised in respect of town centre Wi-Fi and how the network technology was provided. The Voting Elected Parent/ Governor Representative also sought further information as to the Council's ongoing approach to cyber security.

The Service Director - ICT & Digital Services answered each question in numerical order. In relation to the Council's infrastructure in schools, the Service Director confirmed that the Council is currently developing a strategy for digital within schools that was aligned with Welsh Government's HWB programme; this would ensure a standard and consistent approach with all Schools. In terms of efficiency savings, the Service Director informed Members that the Council's approach had been to primarily use digital as a tool to drive improvement to Council Services and to become more efficient and effective. The Service Director informed Members that the Council had taken a pragmatic approach to efficiency savings as part of digital, whereby each service could use it as a tool to assist supporting its own efficiency requirement. In respect of Wi-Fi in town centres, the Service Director advised the Committee that we are using standard

outdoor Wi-Fi technology with a backhaul of 100mb+ internet circuit in our town centres. In respect of cyber security, Members were informed that cyber-crime had become more prevalent, however, Members were reassured that the Council had strong governance in place alongside appropriate technology controls to mitigate risk and were annually accredited for security assurance by outside bodies.

Following discussion, Members **RESOLVED** to agree to receive the updated and draft Digital Strategy for 2020-2024 for the purpose of pre-scrutiny prior to its presentation to Cabinet.

37 Report of the Director of Finance and Digital Services

The Service Director- Finance and Improvement Services provided Members with the Quarter 2 Council Performance Report (to 30th September 2019).

The Service Director referred Members to Appendix 1 of the report which contained the Council's Quarter 2 Performance Report that was presented to Cabinet on the 21st of November 2019. Members were informed that the report contains revenue and capital budget performance; treasury Management prudential indicators; Organisational Health information including staff turnover, sickness and Council strategic risks; Corporate Plan priority action plan updates; other national measures; and target setting.

The Service Director went on to provide Members with an update on progress made across the Council's Corporate Plan priorities and indicated that out of 49 performance indicators reported with a target at Quarter 2, 30 were 'on target', 7 were 'within 5% of the target' and 12 were 'not on target'.

Following the overview by the Service Director, Members scrutinised the report and put forward their questions.

In respect of the projected overspend in Waste Services of £0.436M, Councillor Bradwick informed Members that he will be requesting an update on this position as Chair of the Public Service, Delivery, Communities & Prosperity Scrutiny Committee. The Service Director advised Members that the construction of the new Materials Recycling Facility at Bryn Pica has resulted in one-off costs being incurred in the current year, for example, in making alternative arrangements for the processing of recyclable waste during the construction period, and that improved recycling performance has necessitated the purchase of a higher volume of recycling bags than anticipated at the start of the year. Councillor Bradwick informed the Committee that Members of the Public Service Delivery, Communities & Prosperity Scrutiny Committee will be visiting the new Materials Recycling Facility as part of the Committee's respective Work Programme and Councillor Bradwick extended the invitation to all Elected Members.

In respect of 'Children Looked After', Councillor Adams questioned whether the Budget had been adjusted to account for the demand on the service in times of austerity. The Service Director informed the Committee that the Children Looked After budget is demand led to ensure that appropriate resources are in place to keep children safe and provide them with a stable and positive environment. The Service Director added that due to the demand led nature of the service, actual levels of expenditure will invariably differ to the budget set at the start of the financial year, and confirmed that robust arrangements are in place to monitor

financial and operation performance.

Discussions continued in respect of 'Children Looked After' and Councillor Cullwick questioned whether RCT fund children who are placed in the County Borough from other local authorities. The Service Director advised that it would be the local authority making the placement that would be responsible for funding the care and, in such circumstances, Rhondda Cynon Taf Council would then recharge the relevant local authority.

Following discussion, Members **RESOLVED** to;

1. Endorse the Council's financial and operational performance position as at 30th September 2019 (Quarter 2).

38 Presentation - Budget Consultation 2020/21

With the aid of a PowerPoint presentation, the Service Director – Finance & Improvement Services provided Members with an overview of the 2020/21 Revenue Budget Strategy Consultation and updated Committee on the following areas:

- Approach for 2020/21
- Consultation
 - Council Budget 2020/21
 - The Council's Priorities
 - Council Tax Reduction Scheme
 - Draft Corporate Plan 2020 – 24
- Budget Setting Timetable

Following the update, the Service Director indicated that the overview intended to assist Members in formulating their responses to a number of questions to be posed to the Committee, in line with its Terms of Reference and as a consultee as part of the 2020/21 Revenue Budget Strategy Consultation process. The Service Director added that the feedback provided by Members would be presented to Cabinet alongside the feedback from all other consultees as part of Cabinet agreeing a proposed Budget Strategy for 2020/21.

The Service Director sought feedback from the Committee on a number of areas and the views of Members are noted below.

With regard to Question 1 on Council Tax, Members supported a less than 3% increase to help support the continuation of service provision in the context of rising cost pressures and demand for specific services. Members also commented that in setting the level of Council Tax for 2020/21 regard should be given to the level of funding the Council is anticipated to receive via the local government settlement from Welsh Government.

In respect of Question 2 on Schools Budget, Committee Members agreed that the Council should provide sufficient resources to fully cover increased pay costs in schools throughout RCT. However, a member of the Committee highlighted that other cost pressures, over and above pay costs, should also be fully funded. An elected Member fed back that the same question should also be included as part of the consultation process for Community and Children's Services and not

just in respect of schools.

For question 3 covering fees and charges, the following points were fed back:

- A number of Members considered that school meal prices should be frozen and all other areas should be increased by 1.5%, and highlighted their continued support for the promotion of free school meals;
- A Member cautioned against increasing the charges for Town Centre Car Parking and it was fed back that there should be no increase to the cost of a resident car parking permit;
- A Member cautioned against increasing the fees for Meals on Wheels and noted that the Council needs to encourage more residents to use this service;
- A Member felt that the Council should consider increasing the level of charges for tourist attractions as charges seem to be lower in comparison to other areas of Wales; and
- A number of Members considered that charges for the bulky waste collection service and pest control service should be frozen.

Following Member feedback, the Service Director provided further information on specific areas. In respect free school meals, the Service Director informed Members that transitional / protection arrangements have come into force across Wales in 2019 that mean all eligible children entitled to free school meals will retain their entitlement for a set period even if their circumstances change and no longer meet the eligibility criteria. Members indicated that they were not aware of these changes and requested further information. In respect of car parking charges, the Service Director fed back that charges are only applied in Aberdare and Pontypridd Town Centres, with different charges for short and long stay, and have been frozen for a number of years.

With regard to Question 4, Council Service priorities, Committee Members agreed that all Council services are essential and should be protected as part of the 2020/21 budget setting process.

For Question 5, delivery of efficiencies, Members agreed that setting a Council wide efficiency saving target was a good approach and that managers should be supported to deliver even more efficient services, where possible. However, Members considered that the year-on-year delivery of efficiency savings is becoming more difficult to achieve without impacting on frontline services and highlighted the importance of protecting staff as part of any future budget savings proposals. A Member also highlighted that exploiting more digital working could provide opportunities for the Council to deliver better and more efficient services.

At this point, the Service Director asked Members if there was any other general comments they would like to provide on the Council's budget, as part of Question 6. Members noted that they had no further points to feedback at this point and requested the Service Director to continue with the presentation.

Discussions continued in respect of the Council's priorities for the 2020/21 budget setting process. Members were informed that the Council focuses on five key areas to maximise resources and deliver improved services (i.e. Digitalisation; Commercialisation; Early Intervention and Prevention; Independence; and Efficient and Effective Organisation). Members were asked whether the Council should continue to focus on these areas and Members were supportive of this strategy going forward.

In respect of investment opportunities, Members were asked whether the Council should continue to invest in the priority areas listed. An elected Member raised concerns in respect of improving recycling performance and noted that Social Landlords are not engaging with the local authority. The Member emphasised that Social Landlords need to work with the Council in order to improve recycling rates across the County Borough.

A member of the Committee sought clarification in respect of the Council's investment in flood prevention schemes and sought clarity on the extent of involvement of Natural Resources Wales. It was noted that the flood alleviation schemes referred to are primarily Council funded projects and the Council will engage with Natural Resources Wales, as deemed appropriate, on a scheme by scheme basis.

In respect of Council reserves, Members were informed that the Council has used one off reserves (£1.1M for 2019/20) to balance its budget alongside delivering savings early in subsequent years to replenish these reserves. The Service Director added that this approach is part of a medium term financial strategy recognising that managing and balancing the revenue budget is not a one-off annual process. Members were asked whether the Council should continue with this strategy and Members agreed on the use of this strategy going forward.

With specific regard to the questions around the Council Tax Reduction Scheme, the following responses were fed back by Members:

- Do you think that 4 weeks is a reasonable period to continue paying Council Tax Reduction when someone returns to work?
 - Members agreed that 4 weeks is a reasonable period to continue paying Council Tax Reduction when someone returns to work.
- Do you think that it is reasonable for the Council to continue to totally exclude War Disablement and War Widow's Pensions income when assessing entitlement to CTR scheme?
 - Members were supportive of these elements continuing to be excluded.
- Do you think that 6 months is a reasonable period to backdate claims for working age and pensioners?
 - Members fed back their agreement that 6 months is reasonable.

Discussions ensued in respect of the Council's Draft Corporate Plan 2020-24.

Members were informed that three priorities are being proposed (People, Place and Prosperity) and Members were provided with the opportunity to provide their views on these priorities and ideas about anything else that would make a difference to the people and communities of Rhondda Cynon Taf. Committee Members confirmed their agreement with the proposed priorities as set out in the draft Corporate Plan 2020-24.

In conclusion, the Service Director – Finance & Improvement Services informed Members that the Committee's feedback will be considered by Cabinet as part of it agreeing a draft Revenue Budget Strategy for 2020/21 and that the Finance and Performance Scrutiny Committee will have opportunity to further scrutinise and comment upon the 2020/21 draft Revenue Budget Strategy at its January 2020 meeting.

Following discussion, it was **RESOLVED** that the views of Members as outlined above be fed into the consultation process.

39 Chair's closing remarks

The Vice Chair thanked everyone for attending and wished everyone a Merry Christmas and a Happy New Year.

This meeting closed at 7.33 pm

**CLLR G. THOMAS
VICE CHAIR.**