

**Minutes of the Meeting of HEALTHIER COMMUNITIES OVERVIEW AND SCRUTINY
COMMITTEE
held remotely on Monday, 14 February 2022**

PRESENT: Councillors Bryan Davies (Chairman), Gethin Davies, Marc Davies, Odwyn Davies, Elaine Evans, Keith Evans, Hag Harris, Alun Lloyd Jones, Lyndon Lloyd MBE, Dan Potter, John Roberts and Lynford Thomas.

Cabinet Members Present: Councillor Ellen ap Gwynn (Leader of the Council), Councillor Ray Quant (Deputy Leader), Councillors Catherine Hughes, Alun Williams, Gareth Lloyd, Catrin Miles, Rhodri Evans.

Non-Committee Members Present: Councillors Ceredig Davies and Rowland Rees-Evans were also present.

Officers Present: Eifion Evans, (Chief Executive); Barry Rees, (Corporate Director); James Starbuck, (Corporate Director); Siân Howys, (Statutory Director of Social Services); Donna Pritchard, (Corporate Lead Officer, Porth Ceredigion); Stephen Johnson, (Corporate Lead Officer Finance and Procurement); Duncan Hall, (Corporate Manager, Service Finance and Accounts); Justin Davies, (Corporate Manager, Core Finance, Finance & Procurement); Lowri Edwards, (Corporate Lead Officer, Democratic Services); Alun Williams, (Corporate Lead Officer, Policy and Performance); Elen James, (Corporate Lead Officer, Lifelong Learning and Culture); Dwynwen Jones, (Overview and Scrutiny Officer); Nia Jones, (Corporate Manager, Democratic Services); Neris Morgans, (Democratic Services Officer); Kirsty Jenkins, (Service Accountant); Chris Macey, (Service Accountant); Carys Fowles, (Assistant Accountant); Ann James, (Assistant Accountant); Veronica Evans, (Assistant Accountant), Carol Thomas and Iona Davies (Translators).

(9.30 am - 1.18 pm)

6 Apologies and Personal Matters

Councillors Mark Strong, Paul Hinge and Ivor Williams apologised for their inability to attend the meeting.

The Chairman extended his sincere condolences to the family of Lorelei Bernice Marka who recently passed away. Lorelei worked as a Dog Warden for the Authority for many years.

The Chairman also extended his sincere condolences to Justin Davies, (Corporate Manager, Core Finance, Finance & Procurement), and Nicola Davies, (Translator for the Authority) on the recent passing of Nicola's Mother, Mrs Angela Rogers-Lewis, Justin's Mother-in-Law.

The Chairman also extended his Best Wishes to James Thomas, son of Councillor Lynford Thomas who is currently recuperating following hospital treatment.

- 7 Disclosure of Personal/Prejudicial Interests (including whipping declarations) Members are reminded of their personal responsibility to declare any personal and prejudicial interest in respect of matters contained in this agenda in accordance with the provisions of the Local Government Act 2000, the Council's Constitution and the Members Code of Conduct. In addition, Members must declare any prohibited party whip which the Member has been given in relation to the meeting as per the Local Government (Wales) Measure 2011.**

There were no disclosures of personal or prejudicial interests.

8 Report on the draft Budget for 2022/23

Councillor Bryan Davies, Committee Chair, outlined the meeting procedure and welcomed the Leader of the Council, Councillor Ellen ap Gwynn, Cabinet Members and Officers to the meeting.

The Leader of the Council, Councillor Ellen ap Gwynn, presented the report on the draft budget for 2022/2023 including the three year capital programme, explaining that this is a provisional settlement, and that the final settlement is due on the 1st March, 2022. The total revenue settlement, known as the Aggregate External Finance (AEF) allocated to Ceredigion for 2022/23 is £119.419m. This compares with 2021/22 allocation of £110.006m (adjusted for transfers) and is an increase of 8.6%. Wales as a whole has seen an average increase of 9.4% with Ceredigion ranked at 19th. The Leader advised Committee Members that since her appointment in 2012, £50 million savings had been made.

Ceredigion's Settlement reflects a range of less financially favourable re-distributional movements seen in population and Secondary School pupil number indicators. Standard Spending Assessments (SSA) are notional calculations of what each Council needs to spend to provide a standard level of service. The SSA for 2022/23 is £166.372m which is a 7.2% increase from the previous year (2021/22 £155.153m). The most significant service increase being personal social services at 12.2%.

The budget model has been drafted to include the adjustments with regard to the provisional settlement. Any adjustments required that arise in the final settlement will require consideration and appropriate incorporation into the budget.

The detailed assessment work carried out to identify the unavoidable cost pressures faced by Services has been finalised and identified a net total amount of £13.1m, which is summarised in Appendix 1 of the agenda papers. This amount is almost double the previous years and is £3.8m more than the increased sum available in the settlement and this would equate to the need to increase Council Tax by close to 8%, however some savings are available to the budget setting process.

The Rising costs of Care alone totals £7m, including:

- UK £9.90 Real Living Wage and 1.25% Employers National Insurance – impacts on most if not all Care related Commissioned Services (results in provisional inflation factors of 8.87% for Domiciliary Care / Supported Living, 9.13% for Residential Care and 11.15% for Direct Payments);
- Residential Homes – Fees setting review currently in progress;

- Direct Payments;
- Looked after Children; and;
- Domiciliary Care.

The Leader also advised the Committee that the provision for pay inflation is a significant factor estimated at £3.4m and that there is no formal agreement yet on the main 2021/22 pay award. After taking into account the potential funding available, a balanced budget is achievable.

A Corporate approach has been taken to dealing with the Covid-19 net costs and losses, as opposed to each service having to incur sums attributable to relevant services. This approach has ensured that financial management of the 2021/22 budgets and business as usual activity remained strong. Total hardship costs and lost income are currently forecast at a gross total of just under £7m with as much as possible being recovered and reclaimed through Welsh Government (WG) grants/funding.

Additional Covid-19 costs and some lost income will continue into the 2022/23 year and beyond. A corporate budget of £750k is therefore required in the Leadership Group budget, as well as utilising the earmarked contingency including Covid-19 Reserve estimated at £1.25m. No grant claims are due next year as the Hardship Fund will close and the Settlement now allows for this. WG have also committed to continue to supply free PPE for Health and Social Care for as long as it is required and to continue to provide funding for Test, Trace & Protect.

Council Tax needs to increase to fund fully the Budget position. An extra 4.75% of Council Tax raises a gross £2.1m, which equates to a net £1.8m after allowing for the additional budget requirement placed on the Council Tax Reduction scheme. The Council's income and cost recovery policy means that services are continuing to recover their inflationary costs relevant to chargeable services from service users, although the current issue in the near term is ensuring the recovery of income streams to pre Covid-19 levels.

The Leader explained that as this is a draft budget proposal, based on the Provisional settlement, and subject to any adjustments that may be required once the Final Settlement is known. Any necessary adjustments would be made in accordance with the following:

1. the value of any specific grants transferred into RSG will be passported through to the relevant Service's budget;
2. any other specific changes to be directly targeted to the affected Service(s), if appropriate; and;
3. any other change to the RSG will be dealt with by an adjustment to the Leadership Group Corporate revenue budget.

The Fire Authority Levy is subject to formal confirmation and is anticipated to result in a £104k cost pressure, which will require top slice funding.

The Leader concluded her presentation with a summary of cost pressures across all/most services and re-iterated that this budget report deals with the provisional settlement announcement with a recommendation to Council on the level of Council Tax

for 2022/23. Council is due to consider the final budget on the 3rd March 2022 following scrutiny of the budget papers and draft proposals.

The Chairman thanked the Leader of the Council for presenting the information and also thanked Stephen Johnson, Duncan Hall and Justin Davies and their team of officers for their hard work in preparing the reports for the Committee's consideration.

The relevant Cabinet Member then presented the cost pressures affecting all/most services (shown in Appendix B of the agenda papers).

Committee Members considered the service budgets for those service areas that are within the Committee's remit (shown in Appendix C of the report); namely:

- Pyrth Porth Cymorth Cynnal, Porth Gofal, Porth Cymorth Cynnar
Sian Howys, Donna Pritchard and Elen James were present to answer any questions. Cabinet Members, Councillors Catherine Hughes and Alun Williams presented the information relevant to their respective Cabinet portfolios.
- Policy, Performance and Public Protection
Alun Williams was present to answer any questions. Cabinet Member, Councillor Gareth Lloyd presented the information relevant to his Cabinet portfolio.

Councillors Catherine Hughes and Alun Williams during the presentation took the opportunity of thanking the staff who have kept crucial Services going under extremely challenging circumstances during the past two years.

Councillor Gareth Lloyd also took the opportunity of thanking the staff who have worked tirelessly to ensure Ceredigion was as safe as possible during the past two years.

During discussion, the following points/concerns were raised:

- In response to a question regarding monies set-aside for the modernisation of the Authority's Residential Homes, it was confirmed that monies had been set-aside for Residential Homes upgrade as stated in the Medium Term Financial Strategy (MTFS) shown in Appendix A, page 62, of the agenda papers;
- Following a question regarding the costs of Domiciliary Care, the Committee were advised that Arwyn Morris, Corporate Lead Officer, is currently exploring options for the best model for Domiciliary Care for Ceredigion;
- A Committee Member reminded all present of the NHS Continuing Healthcare Fund which is available through assessment;
- There was a lengthy discussion regarding a proposed New Service Investment – Public Protection shown on Appendix C, page 73 of the agenda papers as follows:

There is considerable pressure on the Public Protection Service as a result of the ongoing Covid Pandemic. In particular, there

are significant onerous statutory tasks in responding to cases in residential care and school settings in managing infection control, and providing expert advice and instruction to those in charge to manage clusters and incidents. Additional investment comes at a cost, however this may be part of Members' deliberations around the 3 different Council Tax options being looked at by Cabinet. For example, £55k would broadly fund up to x1 additional Senior Environment Health Officer post.

Committee Members recognised this invaluable post and the statutory work that is undertaken by this Service. Some Members, however, felt that there is a staff shortage across other services within the Authority and could therefore not support this. Other Committee Members felt that this was an extremely important activity considering the ongoing Covid Pandemic, and were very supportive of this role.

- Following a question regarding social care staff vacancies advertised at present and whether or not the funding for the posts is already accounted for in this Budget? It was confirmed that the staff vacancies advertised are accounted for in this Budget.

The Chairman thanked the Cabinet Members for presenting the information and thanked the officers for the information.

The relevant Cabinet Member and officer then presented the proposed Fees and Charges as outlined in Enclosure D, pages 1 to 13 inclusive of the agenda Papers.

Members were then given the opportunity to ask questions, which were answered in turn by the relevant Cabinet Member or Officer.

The Chairman thanked the Leader, the Cabinet Members and the Officers for the information received at the meeting, and asked Committee Members to vote in turn if they accept, are against, or abstain from the following recommendations:

1. To consider the overall Revenue and Capital Budgets proposed.
2. To consider the estimated cost pressures being faced (£13.173m across all aspects).
3. To consider the proposed fees & charges and the resulting estimated £155k additional income to assist with the savings required.
4. To note the proposed £230k travelling savings target for officers & members.
5. To note the £113k savings balance still required to be found.
6. To consider the 3 options proposed for council tax levels of 4.75%, 5.0% & 5.25%.
7. To provide any other appropriate draft budget related feedback to Cabinet.

Recommendations:

Following consideration, Members agreed to recommend that Cabinet:

1. **APPROVE** the overall Revenue and Capital Budgets proposed;

2. **APPROVE** the estimated cost pressures;
3. **APPROVE** the proposed fees and charges as outlined in Enclosure D, appendix 2 of the agenda papers, (pages 1-13 of 51) subject to consideration of including the following on page 9 of 51 in relation to the fees for Wellbeing Centres:

Wellbeing Centres – Ceredigion Actif Membership Packages, Porth Cymorth Cynnar:

Agree to delegate authority to the Corporate Director and/or the Corporate Lead Officer Porth Cymorth Cynnar, in consultation with the portfolio Cabinet Member for Porth Gofal, Early Intervention, Wellbeing Hubs and Culture, to vary the Fees & Charges for the Wellbeing Centres for 2022/23, to run short term / time limited promotional offers, in order to incentivise more children, young people, individuals and families to participate in regular physical activity and lead healthier lifestyles.

It was agreed that further details in relation to the above would be presented at the 16th March 2022 Committee meeting.

4. **AGREED** to note the proposed £230k travelling savings target for officers & Members;
5. **AGREED** to note the £113k savings balance still required to be found; and
6. **APPROVE** the proposed 4.75% for council tax levels, noting that:
 - Members considered the 3 options proposed for Council Tax levels of 4.75%, 5.0% & 5.25%.
 - 4.75% was proposed, seconded and voted upon. An increase of 5.0% was also proposed, seconded and voted upon.
 - Committee members did not wish to consider 5.25%.
 - The Committee voted on the improvement first, which was an increase of 5% in Council Tax with the additional funding making provision for an additional Senior Environment Health Officer post, £55k would broadly fund, as considered and noted above on page 4 and 5 of these minutes.
 - 7 Committee Members voted *Against* this proposal, with 5 voting *For*.
 - The Committee then voted on the initial proposal of a Council Tax increase of 4.75%.
 - The majority of Committee Members voted in favour of a 4.75% for Council Tax levels with 7 Committee Members voting *For*, and 5 *Abstaining* from the vote.
 - The Committee would therefore be recommending an increase of 4.75% in Council Tax for 2022-2023.

9 Minutes of the previous meeting and any matters arising therefrom

It was **AGREED** to confirm as a true record the Minutes of the Meeting held on 31 January 2022 and there were no matters arising therefrom.

The Chairman thanked Committee Members, Cabinet Members and Officers for attending and the meeting was terminated.

Confirmed at the Meeting of the Healthier Communities Overview and Scrutiny Committee held on 16 March 2022

Chairman: _____

Date: _____