



## APPENDIX 6

### PHASE 1 BUDGET CONSULTATION (2022/23)

(EXTRACT OF DRAFT MINUTES – SUBJECT TO APPROVAL BY THE FINANCE AND PERFORMANCE SCRUTINY COMMITTEE)

#### RHONDDA CYNON TAF COUNCIL FINANCE AND PERFORMANCE SCRUTINY COMMITTEE

Minutes of the hybrid meeting of the Finance and Performance Scrutiny Committee held on Tuesday, 30 November 2021 at 5.00 pm.

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

Councillor M Powell (Chair)

Councillor R Yeo  
Councillor G Thomas

#### County Borough Councillors in attendance virtually:

Councillor G Thomas	Councillor R Yeo
Councillor S. Rees-Owen	Councillor J Cullwick
Councillor G Caple	Councillor A Fox
Councillor H Boggis	Councillor S Evans
Councillor J Edwards	

#### Officers in attendance:-

Mr C Hanagan, Service Director of Democratic Services & Communication  
Mr P Griffiths, Service Director – Finance & Improvement Services  
Mr T Jones, Service Director – ICT & Digital Services  
Mrs S Handy – Members' Researcher & Scrutiny Officer

#### Other County Borough Councillors in attendance:-

Councillor M Norris – Cabinet Member for Corporate Services  
Councillor M Adams – Chair of the Overview & Scrutiny Committee

#### Co-Opted Members in attendance:

Mr J Fish – Parent/Governor Representative

#### Others in attendance:

Mr G Lewis – Audit Wales

### 33 **Welcome**

The Chair welcomed Members to the first hybrid meeting of the Finance and Performance Scrutiny Committee.

### 34 **Apologies**

Apologies of absence were received from County Borough Councillors J. James and T. Williams.

### 35 **SCRUTINY RESEARCH FUNCTION**

The Members' Researcher and Scrutiny Officer referenced the research facilities that were available to Members within the Council Business Unit. Members were advised that if they have any specific queries to email them to [Scrutiny@rctcbc.gov.uk](mailto:Scrutiny@rctcbc.gov.uk).

### 36 **Declaration of Interest**

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

### 37 **Minutes**

It was **RESOLVED** to approve the minutes of the 21<sup>st</sup> October 2021 as an accurate reflection of the meeting.

#### **Extract from the minutes**

#### **Budget Consultation 2022/23 (Phase 1)**

With the aid of a PowerPoint presentation, the Service Director – Finance & Improvement Services provided Members with an overview of the 2022/23 Revenue Budget Strategy Consultation and updated Committee on the following areas:

- General Approach for 2022/23
- 2022/23 Budget Setting – key strategic building blocks
- Feedback requested from the Committee
  - 2022/23 Budget Setting – key strategic building blocks
  - Corporate Plan
  - Council Tax Reduction Scheme

Further to the Service Director providing an overview of the 'General Approach' and the '2022/23 Budget Setting – key strategic building blocks', Members were provided with the opportunity to ask questions before moving onto the 'Feedback requested from the Committee' section of the presentation. The Service Director added that the overview of these two areas intended to assist Members in formulating their feedback, in line with the Committee being a consultee as part of the 2022/23 Revenue Budget Strategy Consultation process and in line with its Terms of Reference.

Councillor Cullwick requested clarity on whether the increase quoted in the social care budget over the past few years included inflationary pressures and if

demand / budget pressures are expected to increase exponentially in the future. Councillor Cullwick also sought clarity on whether there would be hidden costs in the Youth Service area as a result of the Covid-19 pandemic and requested a further breakdown of the budgets for Cultural, Tourism and Heritage Services and Youth Provision. The Service Director fed back that the increases to the social care budget in previous years took account of inflationary pressures, with the 2021/22 budget being £155M. The Service Director added that significant on-going demand is forecast for social care services, this being exacerbated by the pandemic, and the Council is continuing its approach to deliver and invest in further developing early intervention and prevention approaches to help ensure the best possible outcomes for vulnerable residents and children and young people, and also ensuring the best use of resources. The Service Director went on to cover the Youth Service, indicating that the Service continues to work closely with schools and other Council Services to ensure the necessary targeted support is available and provided to young people, taking account of the unique circumstances posed by the pandemic, and that a further breakdown of the budgets will be circulated separately to the Committee.

Discussions ensued and Councillor Caple supported the key strategic building blocks set out and noted that Council Tax increases in Rhondda Cynon Taf have been the lowest in Wales over the past 4 years. Councillor Caple also fed back that the overall strategic approach set out has protected frontline services and is the right way forward for Rhondda Cynon Taf Council.

Discussions continued and Councillor Edwards sought further clarification on the budget for the Music Service. The Service Director fed back that the 2021/22 budget for the Music Service is £130k, with the Council and Schools working closely together to deliver the Service.

The Chair continued the discussion and requested clarity on how the expenditure requirement for services is determined and also the reason for the shortage in green recycling bags, noting that many residents in the Chair's area cannot obtain these bags. The Service Director fed back that services review expenditure requirements on an on-going basis taking into account service need and demand, income generation opportunities and the delivery of efficiency savings. The Service Director went on to cover green waste recycling bags, indicating that take-up has been positive and demand has been higher than anticipated, and arrangements are being made to purchase further bags. The Service Director added that he would request an update on the current position from the Service.

The Service Director continued with the PowerPoint presentation and sought feedback from the Committee on a number of areas:

- **Council Tax and Efficiencies:**

Mr Fish, the Parent/Governor Representative, sought clarity on the basis of the 2.65% modelled Council Tax increase and whether this could be reduced subject to the provisional Local Government Settlement being announced by Welsh Government. The Service Director fed back that the modelled Council Tax increase, as included in the Council's latest Medium Term Financial Plan, has been informed by forecasted Welsh Government funding levels and the Council's forecasted expenditure requirements. The Service Director added that the level of Council Tax for next year will be reviewed following receipt of the provisional Local Government Settlement and updates to the Council's expenditure

requirements for 2022/23, and will be reported to Members for consideration.

Councillor Yeo wished to place on record his thanks to all Council staff and the excellent work that they do, and noted the positive position of services becoming more efficient without impacting on frontline services.

Councillor Cullwick noted the need to invest in Youth Service provision and requested what impact this would have on the 2.65% modelled increase in Council Tax. The Service Director fed back that from a Council Tax perspective, every 1% increase in Council Tax generates approximately £900k of additional income for the Council.

In respect of Council Tax increases, Councillor Yeo highlighted the need for caution as the economy recovers from the pandemic and on-going challenges on household income, for example, rising inflation and higher national insurance costs from April 2022, indicating the need to find the right balance. Councillor Thomas supported this position and noted that a significantly smaller proportion of the Council's budget is funded by Council Tax compared to the funding the Council receives from Welsh Government, and also stressed the importance to continue to identify and deliver efficiency savings.

- **School Budget:**

Mr Fish, the Parent/Governor Representative fed back that the 2021/22 Teacher's pay award was partly funded by Welsh Government and the Council, with the requirement for schools to also part-fund an element of the increase. Mr Fish sought reassurance that the proposed 2022/23 funding for schools will fully cover pay increases. The Service Director fed back that the position being consulted upon includes the proposal for schools to be fully funded for pay and non-pay inflation pressures in 2022/23.

Councillor Edwards emphasised the difficulties faced by children and young people during the pandemic and noted that the school budget should be sufficiently resourced moving forward and that it should be a Council priority.

- **Social Care Budget:**

In respect of the Social Care budget, Councillor Fox emphasised the need for continued investment in this area and noted the need for more care staff.

Mr Craig Jones, GMB Representative, agreed that frontline workers should be prioritised and that this funding should come from the UK Government.

Councillor Yeo fed back that it was positive to note the inclusion of a specific consultation question in respect of social care and indicated that it is a challenging area for the whole country and investment in this area is crucial.

- **Council Service Priorities:**

Councillor Cullwick fed back that the service areas of culture, tourism and

heritage should be prioritised and protected, and stressed the importance of these services over the next few years.

- **Council Reserves:**  
Councillor Thomas supported the Council's approach to the management of its reserves and their on-going replenishment. Committee Members agreed with this view.

#### **Council's Corporate Plan**

The Service Director outlined the Council's Corporate Plan and requested feedback from Members on the following areas.

- **Corporate Plan:**  
Members noted their agreement with the vision and purpose set out in the Council's Corporate Plan.
- **Corporate Priorities:**  
Members noted their agreement with the Council's Corporate Plan priorities of People, Places and Prosperity.
- **Cross Cutting Principles ('Living Within Our Means') – to ensure the Council uses resources economically, efficiently and effectively):**  
The Chair requested an update to be provided to the Committee on the changing use of Council buildings and associated planning arrangements, linked to the on-going digitisation of services and virtual working. The Chair also fed back the need for more outdoor experiences in wider areas of the County Borough, for example, youth provision, and more engagement with the younger generation.

#### **Council Tax Reduction Scheme**

- **Extended Payments –** Members supported the continuation of the 4-week extended payment period for people who return to work (provided they have been in receipt of a relevant qualifying benefit for at least 26 weeks).
- **Disregard War disablement Pensions/ War Widow's Pensions –** Members supported the exclusion of the whole amount of War Disablement Pensions and War Widow's Pensions when calculating Council Tax Reduction Scheme entitlement.
- **Backdated Claims –** Members supported the continuation of the backdated claims period of 6 months.

In respect of the extended payments, the Chair requested feed back on the cost implication if this was extended from 4 weeks to 6 weeks. The Service Director indicated that he would check and feed back separately to the Committee.

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

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